NORTH-CHINA HERALD

AND SUPREME COURT AND CONSULAR GAZETTE

Weekly Edition of the "North-China Daily News"

Registered at the P.O. under Class B.

VOL. CXCV. No. 3542. SHANGHAI, WEDNESDAY, JUNE 26, 1935.

Chinese Name: Hua-pei-lung-chi-chow-kan 字林星期週刊

CHINESE $18 PER ANNUM, $0.40 PER COPY

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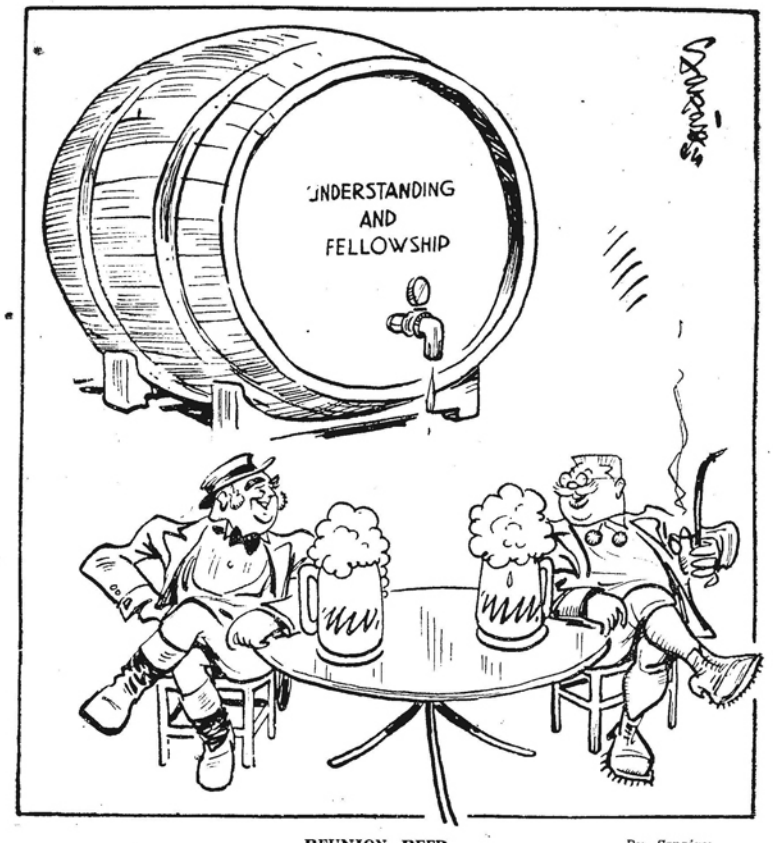

REUNION BEER *By Sapajou*

COMMUNISTS IN SZECHUEN

It seems clear that the Reds in North Szechuen and the itinerant fugitives originally located in South Kiangsi have joined hands somewhere in the West of Szechuen. This junction is not unpalatable to the Generalissimo for it least spares him the difficulty of having to deal with two separate concentrations. The telegrams suggest that in the course of their enforced wanderings the Communists have been able to compel local tribesmen and a certain number of the peasants to join their forces. These recruits are likely to prove more of a liability than an asset, although, of course, they tend to swell the number of the Red bands. It may be assumed that if the provincial troops can be stiffened to put up effective resistance to the Reds, General Chiang Kai-shek will have the satisfaction of knowing that his sustained pressure has actually driven the enemies of his Government to seek refuge in the outer marches of Szechuen whence they may make their way into Sinkiang. They are not likely to reach that objective in particularly good trim, but once there, the Generalissimo may feel that they have solved his problem. In Sinkiang a few more Communists will make but little difference to the general complexion of that uncertain territory.

THE INSURANCE ACT

Attention may fittingly be drawn to the comments made by a Chinese insurance expert on the legislation recently passed with the object of stimulating Chinese insurance activities and preventing the "export of Chinese capital abroad". This legislation discriminates heavily against foreign insurance companies as this journal has already pointed out. Mr. T. L. Shen, in the interview reported elsewhere to-day, analyses the measure and comes to the conclusion that it will produce effects opposite to those which the promoters have in mind. By impeding the free flow of capital the Government will actually deter the foreign investor from putting money into Chinese industry. Incidentally Mr. Shen points out that the idea that the operations of foreign insurance companies leads to a vast export of capital is ill-founded. He makes the sage suggestion that the Government should strengthen the standing of Chinese insurance companies rather than limit the activities of foreign companies—in other words apply the same measures as have been adopted in the banking industry with signal success.

MR. J. H. BEHRENS

Much regret will have been felt at the death of Mr. John Nathaniel Behrens, a brilliant young diplomat whose long struggle with the illness which proved fatal had aroused hopes of a recovery in spite of all the serious implications involved. Mr. Behrens, after four years' service in the Foreign Office and at Belgrade, was appointed to Peiping in 1932. He quickly established a reputation for himself here in China and his tact, ability and courtesy were much appreciated by all who came in contact with him. He also possessed the finer qualities of character which made for him many friends and admirers, who all the more grieve that a career promising so richly has been prematurely ended. Mr. Behrens was closely allied to the great family of Rothschild, for his mother is the sister of the present Lord Rothschild and, the daughter of the first peer who was the grandson of the Nathan Rothschild of Waterloo fame and, therefore, the great grandson of Mayer Amschel Rothschild of Frankfort.

A UNIVERSITY HOSPITAL

Reorganized in 1928 under the University of Nanking and three co-operating missions, the Nanking University Hospital, in the last six years, has been able record useful service for the benefit of suffering humanity. The three co-operating missions are the United Christian Missionary Society, the Methodist Episcopal Board of Foreign Missions and the Board of Foreign Missions of the Presbyterian Church in the United States of America, under a Board of Founders presided over by Mr. Robert E. Speer. Mr. T. C. Woo is Chairman of the Board of Directors in China and Mr. Y. G. Chen presides over the Hospital Committee. Its out-patient department alone deals with some 44,000 patients in the year. Its in-patient population is about 130 daily. It has faced the problem of reorganization courageously and effectively and it hopes to proceed with the good work assured of continued support from old friends and additional assistance from new ones. With the rapid development of Nanking the burden on the Hospital is likely to increase and the achievements already to its credit suggest that that burden will be duly shouldered.

AN ABUSE

A correspondent pertinently draws attention to another aspect of the abuse of extraterritorial rights which should somehow be remedied by the competent authority. The idea that British names should be used by non-British interests to cover money-lending transactions which would otherwise be exposed to definite disabilities under the laws to which the real principals should be subjected is exceedingly distasteful. Not only does it involve what amounts to the sale of British consular services to non-British nationals, but it also brings into disrepute privileges to which great importance is attached by British residents in China. It is to be hoped that examples of this kind of legal subterfuge are rare and that the authorities will seek some effective means of making them rarer still.

NO MEN NOVELISTS

In its special Book Number the "China Review", which is published in London, makes an interesting reference to novels by Western writers on China. The journal points out that there is a long list of recent women novel writers, such as Mrs. Miln, Mrs. Buck, Mrs. Lewis, Mrs. Stone, Ann Bridges, Mrs. Hobart, Mrs. Elena Bochkovsky, and Mrs. Waln, but male novelists seem to leave China alone:

> Whether profoundities or such accidental considerations are to account for the feminizing of fiction about China, the fact of woman-authorship is obvious. There are great values in the work that has been done by these novelists, whatever the inciting force has been, of the surface or something deeper. The late "Putnam Weale" used to write novels of China twenty-five years ago, before he turned to books of contemporaneous history about China. Since his stories appeared it is hard to recall any male who has tried to present China in fiction form, excepting L. Adams Beck. It would be an interesting critical task to have more of a "body" of novels about China by men to compare with the increasing library of such novels written by women, and try to see whether any special qualities appear by reason of the sex of the authors applied to a country of some very special patriarchal and matriarchal influences.

There may, of course, be a simple explanation for this literary curiosity in that men in the Far East have probably less leisure for writing novels than their womenkind. Yet the golf or bridge widow may have views on this subject.

CURIOUS INFORMATION

"The New Statesman and Nation" is a serious and usually well-informed London weekly. Earl Russell, as Mr. Bertrand Russell, is a competent student of public affairs, although his views on some subjects do not commend themselves to everyone. Earl Russell, contributing "A Weekly Diary" to "The New Statesman and Nation," should be worth reading. Yet this is what his diary says in referring to China:

> The state of affairs in China is much more dreadful than most people know. There has been very severe famine for over a year; in the province of Hunan alone, 110,000 persons died of hunger in six months. (My authority is a bulletin of "Les Amis du Peuple Chinois," a French Society of which the Committee consists of eminent professors and writers). As usual at such periods, cannibalism has occurred. The peasants have demanded relief, but the Government does nothing; on the contrary, it imprisons them if they fail to pay their taxes. Many of them, in despair, become bandits, or Communists if any Communist troops are in their neighbourhood. The Communists hold both banks of the upper Yangtse, but cannot effect a junction, because Government gunboats patrol the river. The British have occupied parts of Yunnan, and had difficult armed conflicts with the inhabitants, in which numerous villages have been destroyed.

If it were pertinent to tender respectful advice to the amiable weekly and its distinguished contributor, they both might be urged to verify their information by direct reference to authoritative sources, such as their own Foreign Office in Whitehall or the Chinese Embassy in Langham Place. Incidentally the "eminent professors and writers" who form the committee of the "Friends of the Chinese People," might also be asked to address themselves to M. Laval from whom they would hear little to their advantage, if the preposterous lies attributed to them by Earl Russell are indicative of their methods of research.

ECONOMIC COUNCIL

Recent reports on the work performed under the auspices of the National Economic Council are encouraging to those who look to economic reconstruction as the most important problem for China's solution to-day. The Council did not come formally into existence until 1933, although for two years a preparatory office had been at work and was actually performing some of the duties eventually taken over by the Council itself. The Council works through a Standing Committee under which an Advisory Committee, the Secretary General of the Council and the League of Nations Experts respectively perform the functions assigned to them. The Committees which work with the Secretary-General as their link with the Standing Committee, are six in number. They deal with Rural Rehabilitation, Education, Health, Hupeh Dyke, Hydraulic Engineering and Roads respectively. The Bureau of Agriculture works directly with the Rehabilitation Committee, the Central Health Station with the Health Committee, the Bureau of Hydraulic Engineering with the Hydraulic Engineering Committee and the Bureau of Roads with the Road Committee. The National Employment Bureau for Intellectual and Technical Workers and the Commission on Land Research and Planning come directly under the Secretary-General, in addition to various secretariats as well as the Headquarters of the Kiangsi Rural Welfare Centres. The important Commissions on Sericulture and the Cotton Industry, whose reports have recently attracted considerable attention also come within the Secretary-General's portfolio. The Standing Committee includes important members of the Chinese Government, among them General Chiang Kai-shek, Mr. Wang Ching-wei, Mr. Sun Fo and Dr. H. H. Kung, as well as Dr. T. V. Soong. The Council's efforts deserve sympathetic and intelligent study especially as its reports adhere strictly to the exposition of work done and do not attempt to explore the empyrean of extravagant expectations.

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CHINESE POLITICS

JAPANESE ARMY RESTING ON GAINS

Holds Watching Brief: Will Police Border Until Complete Settlement is Reached

EXPLANATION BY MR WANG CHING-WEI

NO further Japanese military action is envisaged at present, declared Col. Matsui, the Japanese resident officer at Kalgan, who has just returned from consultations with the Kwantung Army high command at Changchun, in an interview with Reuter in Tientsin, on Thursday. He added, however, that the Kwantung Army was holding a watching brief over events in North China and would continue to police the border very strictly until a complete settlement of all the matters at issue had been reached between the Chinese Government and the Japanese authorities.

In spite of reports that the Changpei affair had been settled, Col. Matsui indicated that there was still need for clarification on several points affecting the general situation in Charhar province. What the Japanese wanted, he said, was the elimination of all anti-Japanese tendencies in Charhar, as well as in the rest of China. The dismissal from office of Chinese leaders with anti-Japanese sentiments and the transfer of a few troops from one place to another was not sufficient.

Gen. Sung Allays Fears

Peiping, June 20.

Fears that Gen. Sung Cheh-yuan, the deposed Charhar Governor, might disrupt the peace of that province by starting hostilities against the Japanese, were removed by his arrival here this morning, accompanied only by two secretaries and three bodyguards. Previously, a certain amount of apprehension had been aroused by reports that Gen. Sung had stated he would fight the Japanese unless ordered by the Central Government to leave his post as Governor.

A settlement of the dispute in Charhar province has not yet been effected, according to Mr. Chin Teh-chun, Commissioner of Civil Affairs for the province. He told Chinese press representatives:—"The Charhar problem is not completely settled. I am going to Kalgan to confer with Gen. Sung Cheh-yuan in the matter."

A written agreement between the Japanese and Chinese authorities in regard to the North China situation is expected in the next two or three days by Major Tan Takahashi, assistant Military Attaché of the Japanese Embassy, and he thinks it will be signed at Nanking, but he professed ignorance as to the contents. "The problem must be finished. Thus far no conclusions have been reached; there has been only talk," the major concluded.—United Press.

Council to be Abolished

Shanghai, June 21.

The Peiping Political Council will be abolished in the not distant future, and his duties in the north will be to wind up all the affairs of this organization, according to Mr. Wang Keh-min, the newly-appointed acting Chairman of the Council, who left for the north yesterday afternoon to assume the post.

Since the departure of Mr. Huang Fu, the chairman, from Peiping, Mr. Wang has been acting for him. As he has already exchanged views on the northern situation with Mr. Wang Ching-wei, President of the Executive Yuan, and other leaders in Nanking, he will not stay at the capital, but proceed directly to Tientsin, where he is expected to make a brief stay.

Mr. Wang Keh-min in Peking

Peiping, June 23.

Mr. Wang Keh-min, the new acting chairman of the Peiping Political Council, arrived here this evening from Tientsin.—Reuter.

Government Troops Withdraw

Tokyo, June 20.

A message from Peiping reports that the 2nd and 25th divisions of the Chinese Government troops have all withdrawn from Hopei into the province of Honan.—Reuter.

Charhar Troops Transferred

Peiping, June 19.

An order for the transfer of the 132nd Division of the troops commanded by Gen. Sung Cheh-yuan, Chairman of the Charhar Provincial Government, from the province to Yangyuan, a town in Shansi, was issued yesterday by the Peiping Branch Military Council. The division was held responsible by the Japanese authorities in North China for the arrest and alleged ill-treatment of four civilian employees of the Kwantung Army at Changpei on June 5.

The "Charhar Affair" will not be completely settled until after agreement is reached on minor details, Mr. Chin Teh-chun, Director of the Charhar Bureau of Civil Administration, said to-day on his arrival here from Tientsin. Mr. Chin said he understood that Gen. Sung Cheh-yuan had given a pledge to follow the orders of the Central Government.—Rengo.

MR. WANG CHING-WEI EXPLAINS

China's Concessions Not Mark of Cowardice

Nanking, June 20.

China has made considerable concessions to Japan in the Manchurian controversy, as well as in the recent North China dispute, in the belief that the two nations mutually could benefit by co-operation, said Mr. Wang Ching-wei, President of the Executive Yuan and concurrently Minister for Foreign Affairs, in an interview with Rengo this afternoon.

"These concessions," Mr. Wang continued, "did not necessarily indicate China's cowardice. China is undoubtedly inferior to Japan in her military strength, and could scarcely wage a winning battle against the latter. Yet, our resistance would in the long run exhaust Japan. Such a state of affairs would not be of any benefit to either of the two nations. I believe that, instead, we should devote our efforts to the promotion of common welfare. This should be well understood by the Japanese Government and people.

Appropriate Policies

"Japan and China are closely related geographically, historically, and racially. I believe that, through the application of appropriate policies, the two nations should be able to work side by side to mutual advantage. Japan lacks the natural resources in which China abounds. Using these, Japan could make great industrial progress. The combination of Chinese natural resources and Japanese technical skill is at the basis of the Far Eastern economy, and should enable both countries to reap gains."

The relations between the two nations in past years have been "regrettable," Mr. Wang continued, but he declined to expand on his statement.

As a responsible official of the Central Government, Mr. Wang said, he was always striving to treat the Sino-Japanese issues in a spirit of friendship and co-operation, and he expected to do likewise in the future. The current North China controversy, in his opinion, would not greatly affect the relations between the two countries. "We should strive, however, to make impossible the recurrence of similar episodes in the future", Mr. Wang said.

Not Settled Yet

In his opinion, said Mr. Wang, the appointment of Mr. Wang Keh-min as acting Chairman of the Peiping Political Readjustment Commission did not dispose of the North China issue, additional suitable steps being at present considered by the Central Government. Asked concerning the settlement of all outstanding issues, such as the readjustment of old Chinese debts to Japan, or the inauguration of a commercial air service between the two nations, Mr. Wang stated:—

"Mr. Ariyoshi's last visit here was only for the purpose of presenting his credentials, and we had no opportunity to discuss the pending problems. As to the adjustment of debts, all the loans contracted by the Communications Ministry and a part of the Railways Ministry's debts have alredy been adjusted, and we hope to settle all the remaing debts in the same manner."

As to the inauguration of an air service between the two countries, Mr. Wang said the Government Commission on Aviation decided in Nanchang last February that the establishment of international routes should be delayed until China's own air facilities are developed. This decision, he said, put a stop to negotiations then in progress with Great Britain and Germany, no other conversations having been conducted with any other power since then. "Unless we reconsider the decision reached at Nanchang, we cannot proceed with negotiations on the subject with Japan," the Foreign Minister pointed out.

Gen. Chiang's Attitude

Asked if he agreed with the general belief that Gen. Chiang Kai-shek's "uncertain attitude" towards Japan has added confusion to the North China dispute, Mr. Wang declared:—

"The Joint circular issued last January by Gen. Chiang and myself, as well as his approval of my proposals made at the Central Political Council, demonstrate clearly his attitude towards Japan, which is not different from my own."—Rengo.

CHARHAR INCIDENT SETTLED QUIETLY

Agreed Terms Now Awaiting Nanking Approval

Peiping, June 24.

Colonel Takahashi has denied that a settlement of the Charhar incident had been reached, although he admitted that no further meetings between the delegates had been arranged.

It is believed, however, that the terms of the settlement have been agreed upon and now only await the formal approval of Nanking.

Colonel Takahashi declined to divulge the terms submitted by the Japanese, but a well-informed Chinese source states that they are three in number:—

First, all districts of Charhar bordering Jehol shall be policed by a Peace Preservation Corps, not by soldiers;

Secondly, the Japanese Army shall be allowed to establish a flying-field at Kalgan; and

Thirdly, the troops of the 132nd Division now stationed at Kuyuan shall be removed.

One indication that the negotiations have passed the critical stage, if they are not already concluded, is the return of Colonel Matsui to Kalgan to-day.

General Chin recently declined the post of Acting Governor of Charhar in succession to General Sung Cheh-yuan, but it is now generally believed that his action amounted merely to a request for a vote of confidence, and that he is ready to undertake the duties associated with the post.—Reuter.

Gen. Chin Urged to Take Post

Nanking, June 24.

It is understood that the authorities here are attempting to persuade General Chin Teh-chun, Commissioner of Civil Affairs for Chahar, to accept the post of acting Governor of the province.

The governorship is vacant at present owing to the removal of General Sung Cheh-yuan.—Reuter.

Surprise Conference

Peiping, June 23.

In a surprise meeting held at the home of Gen. Chin Teh-chun, director of the Civil Affairs Bureau of Charhar, representatives of the Japanese Kwantung Army and of the Charhar Provincial Government tonight concluded an agreement for the settlement of the so-called "Changpei Incident."

The terms of agreement, according to reliable Japanese sources, are:—

1. The resignation of Gen. Sung Cheh-yuan, already deposed chairman of the Charhar Provincial Government, and his relinquishment of the command of the twenty-ninth Chinese Army Corps.

2. Transfer of the 132nd Division from the Kalgan area to a south-western part of Charhar province.

3. The dismissal of the chief of staff and of the president of the court-martial of the 132nd Division as being principally responsible for the incident.

4. A guarantee that anti-Japanese activities or any acts which may be regarded as a slight upon the Japanese shall not recur in Charhar.

5. An expression of regret on the part of the provincial authorities for the incident.

6. The removal of all cavalry forces now stationed in the area comprising Dolonor, Kuyuan, Tuhshikou, Chichen, Yenching and Hwalai to a south-western part of the province and a guarantee that no new forces shall be brought into that area.

7. The dissolution of all anti-Japanese organizations in Charhar and a prohibition against their reorganization.

8. A guarantee of unhindered and safe travel by Japanese in the province.

9. The dissolution of the Kuomintang branches in charhar.—Rengo.

NEW BRITISH STAND TOWARDS JAPAN

Sir S. Hoare to Replace Simon Policy

London, June 22.

A less indulgent attitude will be shown by Great Britain in regard to Japan's action in China, as a result of the replacement of Sir John Simon by Sir Samuel Hoare as head of the Foreign Office, the "Star" claims.

The paper adds that the appointment of Sir Samuel to the post of Foreign Secretary at the recent Cabinet re-shuffle will generally mark important changes in Britain's political methods, notably regarding Anglo-German reconciliation and Anglo-American co-operation, as well as certain diplomatic shifts.

The "Star" believes that Sir Ronald Lindsay, H.M. Ambassador to Washington, will shortly be replaced by Sir Robert Vansittart, Permanent Secretary at the Foreign Office, whose functions will be conferred upon Sir George Russel Clerk, H.M. Ambassador at Paris.—Havas.

More Decided Policy Needed

FROM OUR OWN CORRESPONDENT

London, June 4.

Mr. W. Nunn, M.P., addressed a meeting of the Conservative Parliamentary Committee on Monday last on the situation in the Far East which he reviewed in considerable detail, though most of his remarks were probably meant for those who knew little about the matter, and not for experts.

He did, however, lay stress on the need for a more decided British policy in the Far East.

Vital issues which he considered the Government should face were the question of the district courts, the termination of whose existence by treaty is coming up next year, and the future of the Inspector-General of Customs. He considered that, if the latter fell into Japanese hands, it would be a fatal blow to British trade in China.

Mr. Nunn also indicated that British firms in the Far East did not receive sufficient Foreign Office support in the prosecution of their activities, and he painted, in rather gloomy colours, the undoubted intention of Japan gradually to absorb as much of China as possible, and to secure control over practically the entire country.

He emphasized, for instance, the building by Japan of a naval dock at Swatow, and her attempts to induce Portugal to cede Macao to her.

Outlook not Hopeful

The speaker also dealt with the situation in Mongolia, and emphasized the belief that the Mongol Princes, if given a chance, would much prefer to be under China, but, so far as Outer Mongolia was concerned they were under Russian pressure while Japan was endeavouring to get hold of Inner Mongolia. He thought, in these circumstances, that the outlook was full of possibilities of conflict.

Communism he regarded as serious, but pointed out that it only prospered

(Continued on page 508)

JAPANESE TO STUDY CHINA CURRENCY

Refusal to Take Part in The Nanking Discussions

London, June 19.

It is understood in Far Eastern quarters here that the Japanese refusal to take part in the financial discussions at Nanking is not due to disagreement on the principle of these negotiations, but to the inadvisability of such dealings under present circumstances.

According to the same quarters, Japan intends to send financial experts to China only after foreign delegates have completed their preliminary investigation of the China currency situation and when Sino-Japanese relations are less strained.

Discussion will be carried on by the Japanese Government with Great Britain on the problem through diplomatic channels.—Havas.

LEAVE FOR DR. W. W. YEN

Nanking, June 20.

The Foreign Office to-day granted Dr. W. W. Yen, the Chinese Ambassador in Moscow, three weeks' leave, during which he will tour Eastern Europe and meet the Chinese Envoys in England, Germany, Switzerland, and Denmark.—Reuter.

CHINA'S BUDGET ADOPTED

Nanking, June 21.

The national budget for the 24th fiscal year, which begins July 1, 1935, was adopted by the Legislative Yuan this morning. The budget is balanced at $957,154,006.—Central News.

ENTIRE CONTROL OF NORTH CHINA

Picture Emerging from a Clarifying Situation

FROM OUR OWN CORRESPONDENT

Peiping, June 20.

Despite the varied and alarming rumours that have been floating round during the last few days, the situation appears to be slowly clarifying, the picture that gradually is emerging being that of the complete control of North China by the Japanese, in fact if not in name. In usually well-informed Chinese circles it is said that Mr. Wang Keh-ming, who has arrived here to-day and is *persona grata* with the Japanese, will become the acting head of a new administration to be formed in North China. The Peiping Political Council and the Peiping Branch Military Council are to be fused into one and converted into a body to be called the Hua Pei Tzu Chih Hui (Autonomous Council of North China). It will have full autonomy in the management of all purely northern affairs, and the Japanese will deal directly with it, instead of with Nanking, in all questions affecting their own interests in these parts. When the new Council has been fully established, a new agreement probably will be drawn up with the Japanese, replacing the Tangku Truce treaty. Whether in such circumstances the Japanese still will insist on Nanking signing the acceptance of their recent demands seems doubtful; that question, for the moment, seems to have receded into the background.

At the time of writing, the Charhar question, according to the pronouncements of both Chinese and Japanese spokesmen, still is unsettled. Actually, the only important outstanding matter, but one on which the whole situation turns, is the withdrawal from Charhar of Gen. Sung Cheh-yuan's army of 40,000 men. Two days ago, after his dismissal by the Nanking Government, Gen. Sung gave an interview at Kalgan to a certain foreign correspondent, when he is stated to have declared that, unless he received public and clear orders from Nanking to the contrary, it was his intention to resist the Japanese advance with his whole force. This morning, he arrived suddenly in Peiping, for the purpose, it is stated, of discussing the evacuation of his army with the Japanese military. This sudden change of attitude possibly may be explained by the report that he has been appointed Chairman of Anhui Province. If this is correct, the Charhar incident is probably closed.

Restless Troops

Another version, however, is that he has washed his hands of the whole business and is on his way into retirement in Tientsin. In that case, the incident would appear to be by no means settled, for there remains his army to be disposed of. According to all reports, the dismissal of their general has caused serious unrest among Sung's troops, who have declared that they will not leave Charhar. Such a frame of mind easily might lead to an open clash between them and the Japanese.

What will be the future arrangements for the policing and administration of Charhar remains to be seen. It is stated that Gen. Fu Tso-yi, the Chairman of the neighbouring province of Suiyuan, who is on good terms with the Japanese, will be allowed to send a few of his units there to keep order.

"Democratic Alliance"

Some anti-Government pamphlets have been distributed recently in Tientsin under the name of the "China Democratic Alliance Society". A few of them have found their way to Peiping, and I have seen a copy. They are of the usual type, with vague accusations against Chiang Kai-shek and Chang Hsueh-liang, and veiled threats as to the dangers of the present situation and the necessity of taking steps to save the country by establishing an independent government. But, as they contain such well-known phrases as "bring about friendship between China and Japan to preserve the peace of Eastern Asia," or "establish friendly relations and economic collaboration between China and Japan," their paternity is scarcely hard to seek.

There are also persistent reports from Tientsin that certain members of the former Anfu Party are very busy these days and are holding long meetings every day in the Japanese Concession. This, however, does not necessarily indicate any serious development, and may merely mean that they are discussing the division of official posts in Wang Keh-ming's new administration.

Well-informed Chinese circles here consider that the Japanese have done their worst, and that for the time being there is no likelihood of a completely independent State being established. The Japanese have first got to consolidate their latest conquests.

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The North-China Herald

Published every Wednesday

PREPAID SUBSCRIPTIONS

(INCLUDING DELIVERY)

Shanghai	$18	per annum
China, Japan and Korea	18	" "
Hongkong and Macao ..	21	" "
Postal Union Countries ..	26	" "

Letters should be addressed to the Secretary, NORTH-CHINA DAILY NEWS & HERALD, LD., Shanghai, to whom all remittances should be made payable.

UNDERSTANDING

June 21.

The new Secretary of State for Foreign Affairs has quickly shown his direct personal interest in the Far East. To the House of Commons the other day Sir Samuel Hoare made a brief but sympathetic reference to the economic rehabilitation of China and to the Chinese Government's efforts at establishing its authority. At the dinner of the Japan Society he has managed to reaffirm British friendship with Japan, and at the same time, to indicate British anxiety over certain aspects of Anglo-Japanese relations. In particular Sir Samuel referred to recent events in the North, as indicative of at least one cause of that anxiety. In Mr. Matsudaira the British Foreign Secretary was addressing a Japanese statesman who has succeeded in acquiring and preserving British confidence in a remarkable manner. Despite the controversies of the last four years, Mr. Matsudaira's diplomacy has never been at fault. It has happily retained the support of the Tokyo Foreign Office and, moreover, evoked British respect and appreciation. Mr. Matsudaira was, therefore, in an exceptionally favourable position to welcome Sir Samuel Hoare's pointed appeal for a proper understanding between the two countries. Whatever criticism may be incurred by certain developments of Japanese policy, British sympathy with the Japanese people and British admiration for the virility of the Japanese nation have never faltered. Sir Samuel, in effect, laid upon Mr. Matsudaira the charge of conveying to the better minds of Japan a message of encouragement in a moment of possible national uncertainty.

As has been frequently emphasized in these columns, Japan's right to outlets for her economic expansion cannot be fairly questioned by any nation, least of all by Great Britain. It is utterly illogical to seek to hamper the legitimate exercise of that right on one hand and on the other, to wax indignant over measures taken by Japan to mitigate the handicaps imposed. Geographical, political and cultural considerations give Japan a peculiarly intimate association with and interest in Chinese affairs. China, on her side, cannot do without Japan. Japan, on hers, cannot do without China. There is no reason why these mutual needs should not be peacefully fulfilled by diplomatic contacts, on lines admirably defined by Mr. K. Hirota and Mr. Wang Ching-wei. The recent elevation of their respective representations to ambassadorial rank has helped to enhance the possibilities of Sino-Japanese *rapprochement*, on which Great Britain and other Powers are bound to cast a sympathetic and friendly eye. Nor should this development be inconsistent with the support of China's national hope of unification. Indeed, Mr. Hirota himself has gone further than any of his predecessors in affirming Japan's recognition of the present Chinese Government's competence to speak for China. In this spirit Anglo-Japanese collaboration in the preservation of peace in the Far East can be usefully allowed to find expression. Sir Samuel Hoare did not conceal his anxiety lest events in North China should prejudice the aims which Tokyo and London had in common. It is not unreasonable to imagine that similar apprehension is occasionally felt by Japanese diplomacy itself. That diplomacy can point to more solid achievement in advancing Sino-Japanese friendship than can certain well-meaning soldiers who appear to imagine that diplomatic technique, like a bubble reputation, can be best acquired at the cannon's mouth.

The speeches by the British Foreign Secretary and the Japanese Ambassador to the Court of St. James encourage the belief that a more satisfactory turn may be given, not only to Anglo-Japanese relationships but also to the processes by which Sino-Japanese understanding is to be consolidated. Mr. Matsudaira laid emphasis on direct contact between nations as a useful reinforcement of diplomatic and official effort. Applying that argument, it may be well to suggest that a necessary corollary is the due marshalling of official activities in proper form. The difficulties confronting the Chinese Government in dealing with the situation in the North during the last few days have been partly due to the existence of what may best be called extra-diplomatic channels of communication. This has seemed to be prejudicial to Japan no less than to China. Perhaps experience of the impression created by the consequent events may induce Tokyo seriously to reconsider the relations obtaining between the various representatives of the Japanese Government in China. Nowhere would there be greater satisfaction than in Great Britain if Sino-Japanese friendship could be fostered without the intrusion of elements which tend to perpetuate China's fissiparous weaknesses rather than to further international amity. A strong China is not incompatible with the full expansion of Japan's economic activities. Indeed, it is by the co-operation of Japan that China's own economic development can be specially assisted, to the common benefit of both countries and of Far Eastern stability as a whole.

A POSITIVE POLICY

June 24.

A positive British policy in China is regarded as an urgent need in the light of current tendencies in the Far East. Sir Alexander Cadogan's elevation to ambassadorial rank, the prompt fulfilment of his request for a high financial adviser, by the deputation of Sir Frederick Leith-Ross, the Government's chief economic expert, and the change at the Foreign Office itself are considered to be favourable signs of the Cabinet's intention to ensure closer contact between Great Britain and China. The possibility of removing some of the major obstacles to European concord is far greater than it was a few weeks ago. So the handicap of preoccupation with problems nearer at hand may be less pressing for Mr. Baldwin's administration. In any event it is clear that British interests in China cannot be indefinitely exposed to the dangers of a policy of drift. At this stage it would be inopportune to assess the exact significance of this stirring of the contemplative placidity of Whitehall. Nor would it be wise to attempt any forecast of the lines on which Sir Samuel Hoare's development of British policy is likely to proceed. Out here his assumption of office has been noted with satisfaction in that the portfolio of Foreign Affairs has passed to the Minister who has achieved the most outstanding success in pragmatic policy during the present Government's regime. It is sufficient therefore to express the view that a greater coherence and more decisive action may be confidently expected from Downing Street, than have always been discernible in recent years.

But, if this new spirit is to find profitable and effective expression in development of Sino-British relations, it is essential that it should receive full encouragement and support from the British community in China. In circumstances of considerable difficulty and bewilderment, it is not surprising that the community has, at times, been uncertain of itself and, at other times, highly critical of the policy prescribed for its official representatives on the spot. Moreover the community is not homogeneous; its interests are varied and, sometimes, conflicting. The combined effects of economic strain and changing political conditions in the Far East have produced hesitations incompatible with a healthy confidence in Great Britain's long-established traditions in China. Team-work has been lacking, with the result that much valuable work performed in the consolidation of Sino-British relationships has been deprived of some of its virtue. The British in China have too often seemed to find no happy mean between an aggressive protestation of their merits and a shamefaced depreciation of benefits undoubtedly bestowed by them on this country of their sojourn. They have allowed themselves to be unduly downcast by ebullitions of hostility and to be unduly elated by reactions in the reverse direction. Often it has seemed as if voices of the British in China have found in England belated echoes which are patently at variance with the prevailing trends of Sino-British thought. The result is that, on hardly any subject of importance in the Far East, has British opinion on the spot found such clarity of expression as could usefully guide the earnest student of affairs in Whitehall or Westminster. So it is not surprising to find that British merchants deplore the lack of a positive policy in the counsels of His Majesty's Government.

British leadership in China is still an important factor in the destinies of the Far East. The reason is not far to seek. Apart from the material significance of some £300 millions of British capital invested here—the figure is given on the authority of the Chairman of the China Association—Great Britain is one of the chief Asiatic Powers and her guidance of Asiatic democracy is amply illustrated in the pages of the century's history. It is fitting therefore that the British community in China should give heed to those traditions and, by light of them, endeavour to adjust their relations with the people of this country. The desire to trade is not inconsistent with the less material aim of exchanging cultural benefits. On those lines British and Chinese efforts have been happily directed by the activities of various semi-official and private organizations. What is necessary is a more confident development of this relationship. Too often it seems as if the British community, as a whole, treated such efforts as conventional salutes to a mystical diplomacy, and sought to wrap itself in an unlovely cloak of insular aloofness, wherefrom curiously inept gestures of self-depreciation and, even, provocative criticism are allowed to emerge. This has specially been displayed in the community's attitude toward the declared policy of its own Government. Though loyally accepting that policy, the community has nevertheless too strongly favoured commendation of measures and actions in direct conflict therewith. In the last few years the danger of this inconsistency has come more prominently to the fore. That, in itself, has strengthened the arguments for a more precise definition of British needs and British aims. Goodwill toward China, as to all nations sincerely working for the advancement of the Far East, is undoubtedly the true mainspring of British influence. Traders can take no other point of view. Close contacts with Chinese thought, accompanied by a steady refusal to accept indirect judgments on Chinese affairs, should be the guiding principles of British conduct here. With effective teamwork between the chief sections of the community—diplomatic, commercial and philanthropic—this treatment of Sino-British relations should greatly assist the Government at home in formulating a positive policy—to the benefit of both countries and of the Far East generally.

COMPANY LAW

June 19.

Now that it has been decided not to appeal against the judgment of the Registrar in the case recently brought in H.M. Police Court against the Guaranty Underwriters of China Ltd., a consideration of certain aspects of the matter may not prove inopportune. The defendants were charged that "between July 30, 1934, and February 21, 1935, inclusive, a person other than a British subject resident within the limits of the China Order-in-Council, 1925, to wit the China Finance Corporation Fed., U.S.A. of 9 Av. Edward VII aforesaid, has exercised general or substantial control of the company's business contrary to Article 194 (2) of the China Order-in-Council, 1925." For purposes best known to itself,—though, of course, there is no suggestion that there was anything improper about it,—the China Finance Corporation decided at one time in its history to form the Finance Banking Corporation. At a later date, because it found itself unable to do a certain class of business under American law, the Chinese Finance Corporation formed the defendant company under British law. The evidence showed that the capital of the company consisted of 42,000 shares of which 41,900 were held by the China Finance Corporation, while the balance of 100 shares were held by three directors, of whom two were British, who administered the affairs of the company. These gentlemen were also directors of the China Finance Corporation and of a third British Company the Finance Banking Corporation, Ltd., in which the defendant company held 39,500 shares. The evidence as produced before the Registrar is sufficient to indicate to the ordinary man in the street that the interests of the trinity, subdivided as they are, are indeed one complete whole.

Going back to the defendant company the Registrar held that:—

> The mere facts that (1) a non-British corporation is the majority shareholder in the defendant company; (2) the managing director of the non-British corporation is also managing director of the defendant company; (3) that the non-British corporation formed the defendant company for the sole purpose of carrying on business which it considered it was forbidden to carry on itself, are not in themselves sufficient to prove that the non-British corporation exercised control of the business within the meaning of Article 194(2) of the China Order-in-Council, 1925.

That decision may be perfectly correct, and, if it is, then a somewhat startling state of affairs is found to exist, for it is possible for a foreign corporation desiring to do business which under its own laws it is unable to transact, to form a British company, entirely with foreign owned capital, have a managing director and a majority of directors British to do legally under British law that which it is forbidden to do under the laws of its own nationality. It is asserted with every confidence that not only was that never in the contemplation of the draftsmen of the Order-in-Council but it is definitely contrary to the true spirit of extraterritoriality.

It has been urged in some quarters that a different interpretation of the Article from that given by the Registrar would have a serious effect upon many substantial British companies, necessitating the investigation of transfers of shares and seeing that there was always a majority of British shareholders. There is a great deal in that contention but the point to be faced at this moment is that a loophole has been discovered in the law whereby things may be done of which there can be no approval whatsoever. The fact is that the whole capital in the defendant company was owned by the China Finance Corporation, the hundred shares in the names of the directors being held by them as that corporation's nominees. The voice may be the voice of Jacob, but the hands are certainly those of Esau. It is obvious that this possibility cannot be permitted to exist any longer than it would take to secure an amendment of the Order-in-Council. If that amendment causes some inconvenience to existing substantial British companies it is certainly to be regretted, but it is better that this defect in the Order should be remedied, even at the expense of some inconvenience, than that it should continue to permit such manœuvres as that revealed by the evidence in this case. On the face of it it would not seem that the amendment would be very difficult to effect, nor should it in the long run do anything but good in the improvement of the status of some companies. However that may be it is highly undesirable that foreign nationals should be able to obtain British legal protection to do what they are unable to do under the laws of their own countries.

BRASS TACKS

June 22.

Discussion on the rabies issue has wandered far afield. It seems proper that readers of this journal, dazzled as they may be by the engaging irrelevances of emotional defenders of Alsatians, police dogs or dogs of other and, perhaps, doubtful breed, were brought down to brass tacks. The object is to draw attention to the extremely serious situation created by the prevalence and the spread of rabies in Shanghai and to emphasize the importance of co-operating with the police and health authorities in combatting it in the interests of the community as a whole. In such conditions the elementary precaution of protecting the public against dogs who are inclined to bite, with provocation or without, is naturally canvassed. It so happened that a striking example of this danger was brought to public notice. The dog was an Alsatian. It had been a police dog. It belonged to a breed which, whatever partisans may say, has a certain history behind it. To judge from some notes of indignation evoked by the recital, it would seem as if the victim of the Alsatian's exuberant desire to protect his master's property should have been blamed for arrogating to herself the privilege of being bitten in several places by so elegant a specimen of the canine race. Other commentators, desperately anxious to avoid that sublime perversity, found excuses for the dog by alleging that his mode of life was not calculated to make him a vegetarian. That, of course, was equally wide of the mark. The point—emphasized by a judicial decision—is that the public has the right to be protected against biting dogs. Moreover, in the present rabies crisis, the authorities have a special responsibility for seeing that that protection is given.

It is absurd to pretend that a campaign for the muzzling of dogs and the destruction of strays is inspired by callous indifference to canine virtue. Indeed the prevention of the spread of rabies is as much in the interest of animals as of human beings. Correspondents who fly off at a tangent and dilate upon the possible destruction of a perfectly amiable "stray" in the course of the operations conducted by the police must ask themselves whether they are seriously anxious to co-operate in the protection of the community against what is a very ghastly disease. Elaborate arguments to prove that Alsatians, in favourable conditions, are wonderful pets, and as docile as Mary's little lamb are not merely irrelevant; they are worse. They are the products of a thinly-veiled desire to hamper authority in its beneficent purpose of stamping out rabies. It would be far honester to put on record a determined refusal to be party to any anti-rabic measure involving the control of dogs, to say nothing of their destruction when found to be ownerless and therefore a clear danger to the community.

The karait is a timid, beautiful specimen of the snake tribe. It will not attack a human being unless it is frightened, but unfortunately its timidity makes it apprehend attack at the mere approach of the human or animal intruder on its imagined privacy. Its bite is deadly. No-one has yet been known to recover when bitten by a karait. No society has been invoked in the name of the prevention of cruelty to animals for the purpose of protecting the karait against measures taken to eliminate him or her from the scheme of things when found. Yet it might easily be argued that the karait, in its proper surroundings, is as good a father or mother as any oyster and, as a companion is to be preferred to the chattering mina who, alone can meet it and defeat it on level terms. It might also be said that if the incautious footfall of the biped involuntarily disturbs the mental equilibrium of the karait, it is most unfair to blame anyone but the biped and even more unfair to regard the eighteen inches of serpentine whipcord as a pest to be exterminated. Getting down to brass tacks, let Shanghai note that the rabies danger is real and that the authorities ask for strong co-operation in strong measures to combat it. All else is irrelevant and mischievously irrelevant at that. This journal yields to none in affection for dogs or any animals—even karaits—but it refuses to outrage commonsense by countenancing arguments which, however intended, must inevitably be regarded as undermining protection of the community against a truly terrible scourge.

SHANGHAI'S NOISE

June 20.

Shanghai has no silly season. The spate of complaints regarding the outrages inflicted on Shanghai's eardrums must not, therefore, be

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attributed by complacent officialdom to that mythical period of hysteria on which certain newspapers are supposed to depend for the maintenance of their correspondence columns. Yet this outcry of a maddened populace is in a sense seasonal. It finds expression at a time when doors and windows are open, when sleep is specially elusive and when even the dropping of a gold brick may shatter a nerve or two. Not that this journal would dare to attribute the well-founded complaints emanating from the residential areas of Shanghai to so banal a cause as "nerves." For, there is something to be said for the influence of the thermometer. The man who cheerfully refers to the fineness of the weather on a sunnily crisp morning in December, will readily command joyous acquiescence and perhaps a grateful invitation to assist in increasing the dividends of depressed brewing companies. Let him drop such an observation in the sweltering, though sunny days of June, and he will find that his buoyancy is an offence which cries to heaven. If he is not reported to the Club Committee under article 1,001 ("Members' conduct of,"), he is abominably lucky. So is it with the harmless hawker or the happy-go-lucky hornblower. On pleasant winter days when the world is well and everyone is well with it, what matter if the hawker cries his wares, or bangs his drum to mark the ascendance of the dawn? To begin with sleepers are within well-shuttered houses. They are protected against cacophony's intrusion. The hawker plods along unhindered by any blasphemous douche from an irritated householder. The chauffeur can compose his symphonies in peace.

Noise and its effects may afford psychologists an interesting study. Why, for example, can a public dinner's guests completely drown the elegant music of the devoted orchestra with their massed conversation. Those are perhaps people who fiercely demand peace and quietness for their own homes. They would be horrified to fail in attention to beautiful music. That does not prevent them from inflicting on the artists engaged for their entertainment the cruel insult of neglect. If a calculation of their noise-power could be mathematically made it probably would be found to amount to that of a few thousand hawkers, for a company which can make the strains of "Carmen," as played by a full orchestra, fade into the insignificance of a deaf-and-dumb show is capable of anything. The experience simply proves that the human frame is able to endure more from the assault on its eardrums than impassioned champions of a noiseless zone are prepared to believe. This will not placate the fiery inditer of epistles on the subject of noise. Nor is it intended to achieve that impossible task. It merely sets out to show that pain is always relative. The agony of one moment may be the abounding joy of the next—and what joy could be greater than that which accrues from vanquishing the big bassoon by the sheer weight of lung-power?

Playful banter must not be allowed entirely to obscure the real grievances of some of these Shanghai martyrs. Even in a time of depression it is permitted to have the luxury of quiet sleep. Guardians of law and order have many calls on their time. Not the least onerous is the task of ensuring communal consideration for the comfort of others. The radio fiend who makes no effort to judge the effect of a midnight seance on his next-door neighbours is an anti-social cad. The policeman who allows hawkers to waste their vocal sweetness on the pure desert air of a select suburb is failing in his duty. So, too, is that other policeman who allows a handful of rickshawmen to make the early morning horrible with their cackling in competitive pursuit of a strayed reveller outside a slumbering apartment block. These are some of the horrors with which Shanghailanders have to contend and with which the Police do not show firmness in dealing. As for the motor-horn nuisance, it is high time that that were again relegated to the background and not permitted to streak the night silence with its fearsome irrelevance. A ban should be placed on the motor-horn between the hours of 10 p.m. and 7 a.m. and Mr. Leslie Hore Belisha might be invited here—paying his own travelling expenses, as he surely would, out of a true missionary zeal—to show how it could be done. If it be objected that the police would be overworked, no doubt suitable arrangements could be made to reward them in the winter time with a few weeks' leave in some wide open space where, looking up to the clear vault of a starry heaven, they would see no traffic lights, would hear no unmuzzled dogs and would not know what a rickshaw plate looked like. The Police may feel embarrassed by Shanghai's insistence on their ability to cure all ills, sordid and sublime, but they should rather be intensely flattered at such a tribute to their powers, whether as men of action, as diplomatists, as arbiters between man and man—between woman and woman too perhaps—and as philosophers. For only a philosopher can apply the right sort of balm to the malaise of a Shanghailander deprived of his night's rest.

BUNDERS

June 25.

For the benefit of the newcomer to Shanghai let it be explained that the bunder is nothing more formidable or respectable than the simple eccentricity of human imagination, known elsewhere as the rumour. The term is a legacy of the old days when the whole life of Shanghai seemed to be concentrated in the—pleasantly tree fringed boulevard by the banks of the Whangpoo. Along the Bund sped the busy traffic of the Shanghai which knew nothing of the motor-car and its problems and was innocent of the dangers of overcrowded trams. With that traffic—victorias, barouches and dog-carts—sped also the active tongues of men and angels agog to retail the latest information wafted to them on the breeze, blowing now from the east now from any of the other three points of the compass. The information had its graces and charms. They did not always include veracity or accuracy. But the bunder became famous as one of the special instruments for varying the monotony of life among the gold bars and taels. The gold bars still lead a struggling existence here. The tael has, like the victorias and barouches, vanished into the limbo of forgotten things. The bunder survives and flourishes vigorously. Age has not tempered its vivacity. It has not been mellowed by time so that it has acquired even the semblance of a greater sense of accuracy. Irresponsibility was ever its hall-mark and irresponsible it remains. Deference to the genius of Shanghai would demand the admission that a bunder is more than the bald rumour or the arrant scandal. Miss Letitia Piper's twins might form the subject of one or the other. They would not exhaust the possibilities of the bunder which might be described as compounded of envy, hatred, uncharitableness with a strong spice of mischief thrown in for seasoning such wit as was considered necessary for its retailment. And often, too, the bunder comprised some definite purpose on the basis of which personal profit might be daringly snatched in Shanghai's peculiar temples of chance.

Just now the bunder is having an exceptionally busy time. It might well look back on its none too reputable history and declare that never had its qualities been in such great request. Under the shadow of depression, Shanghai's constitution, organism or whatever structure it may be, is specially susceptible to the bunder's influence. Every little fluctuation of a stricken market brings grist to someone's mill, so the bunder's services become in urgent request. The suggestion that some august individual has been seen posting a letter in a green box is seized upon to give colour to the view that the price of Inexpressibles is likely to rise, although, of course, nobody in authority will admit the possibility. The hoisting of a weather signal on the Bund sets at once another train of thought in motion: the depression, of which Siccawei gives such faithfully painstaking reports, is on the point of departing to another port. So Shanghai is saved. Or, on another occasion, the firing of the midday gun at four o'clock in the afternoon impels belief in the theory that someone has been hammered on the Stock Exchange. As for the sounding of the fire-alarm or the noise of a salvo of fire-crackers, they come happily into the picture for the further embroidery of the bunder's elaborate tale. It seems almost impossible for even the harmless motor-horn to hoot its strident warning without giving some hint to the agile exploiter of the bunder's irrelevance.

If the bunder is a Shanghai product, so, happily, is that famous mind which knows exactly how to assess the bunder's value as a guide to human conduct. In other words sensible Shanghailanders will refuse to believe anything they are told by the device of the bunder's mystical circulation. If they feel disposed to indulge in entomological studies they may make a collection of bunders, with the help of a butterfly net, killing bottle, pin and setting board and, in due course, hold an exhibition in the mythical Town Hall to display to the world the beauty of one species of Shanghai's best known fauna. It is to be hoped that this will be the only effective notice taken of the curious insect. As a substitute for an oracle, a sibyll, a sphinx or Ruff's admirable Guide to the Turf, the bunder does not fill the bill. That fact should be carefully borne in mind. The reason is clear. Let Shanghai note the area where bunders can never happily disport themselves. In Siccawei the bunder has not been seen within hailing distance of the austere observatory. Carefully-devised machinery maintained for detecting the movements of typhoons cyclones, depressions and waterspouts, is abhorrent to a creature which simply does not know what truth looks like. In the cold unfeeling atmosphere of scientific research the bunder would wilt and painfully perish—poor fragility exposed. It therefore warily keeps away from Siccawei and rather haunts the more hospitable and more credulous abodes of Kiukiang Road, secure in the knowledge that in these hard times, anything may make a gold bar rise or fall, any yarn is good enough to give exchange a jerk and any taradiddle will help to create the simulacrum of a little, if evanescent, boom. If Shanghailanders are not entomologically inclined, their attitude toward the bunder is clear: they should borrow the airman's cotton wool and keep their ears from absorbing the mischievous creature's fairy tales, or, more conveniently still, adopt the servant-girl's technique and let them pass in at one ear and out at the other. They will then be assisting the depression to pass more quickly than perhaps it otherwise would. For the bunder battens on and, by some perverse reciprocity, actually stimulates the depression. What Shanghai really wants is a metaphysical typhoon which will blow all bunders to the distant horizon of the never-never land and, in the process, do what typhoons meteorologically should do—banish all depressions.

THE WAY OF THE WORLD

AN EXCEPTIONAL HONOUR

In the Birthday Honours List the award of the honour of Knight Grand Commander of the Indian Empire to Sir Findlater Stewart, the Permanent Under-Secretary of State for India, was a special mark of distinction. No previous head of the India Office, with the exception of Sir Thomas Holderness, had ever received a "G.". Sir Thomas was made a G.C.B. and later a baronet for his services in King Charles Street. Sir Frederick Duke was already a G.C.I.E. when he was appointed to the post from the Council of India. Sir Findlater Stewart is still on the right side of 60, but the part which he has played in framing the proposals for the future constitution of India has been singularly important. He was Secretary to the Lee Commission on the Public Services of India. He was Secretary to the Simon Commission and he has been at the head of affairs at the India Office since 1930. It was fitting therefore that, with the completion of the momentous task of framing the legislation for India's new regime, the man, on whom the chief burden of bureaucratic responsibility has fallen in Whitehall, should be singled out for special reward.

NAVAL AGREEMENT

Mr. Anthony Eden will have yet another of his delicate opportunities in visiting France for discussion of the Anglo-German naval agreement. French fears that Great Britain has deserted the accord with her former Allies are not justified by the known factors of the present Cabinet's policy. Great Britain has, however, recognized her greater freedom of action in coping with the problem of European disarmament and, if, by reaching agreement with Germany on one aspect of it, she can help forward the general discussion of its bearing on European peace as a whole, she will have served France no less than her own defence requirements. Disarmament cannot be handled now in terms of the Versailles Treaty. It can be effectively brought into general focus only on the principle of equality as between all nations concerned. For that reason alone the agreement with Germany seems to promise the best hope of finding the way back to Geneva—an aim which France no less than Great Britain has steadfastly in mind.

MR. EDEN ON TOUR

Mr. Anthony Eden seems satisfactorily to have allayed French anxiety over the Anglo-German Naval Agreement. That outcome of his visit to Paris was expected, for it was evident that the British Government, in its justifiable search for more freedom of action, would certainly not countenance any breach of the collaboration agreed upon with France and Italy on February 3. In effect British initiative has loosened the deadlock in which the whole question of European relationships was in danger of being gripped. Now Mr. Eden travels to Rome where a more formidable task awaits him. Yet, during the last few days, it has been evident that Signor Mussolini is less disposed to turn a deaf ear to peaceful counsels than some of the writings in his inspired press might suggest. Whether it will be possible to satisfy Italian aims by obtaining Abyssinian consent to the union of Eritraea with Italian Somaliland by rail, must for the moment remain a matter of conjecture. There is this much to be said: the unanimity of an officially-controlled press, does not altogether conceal the existence in Italy of grave misgivings over the possible results of a war in Abyssinian country. Apart from the difficulties of the campaign, Signor Mussolini cannot afford to be indifferent to the economic issues involved. Nor will he lightly face the prospect of having much-needed attention to European problems diverted to anxieties overseas. Mr. Eden may find the Italian Premier ready to listen to friendly British advice, especially as some of the fantastic stories of British intentions in Africa cannot receive credence from anyone in high authority at Rome.

LUDICROUS

The solemnization of the first marriage in an aeroplane over France evokes the remark that marriages are made in heaven and the fact that the service took place in the skies merely indicates a desire to get as close to the factory as possible. Fortunately for heaven it is open to considerable doubt whether marriages are really made there, for, when some of the unions are considered, there is little doubt that it is not quite so efficient as it might be, and that some of the marriages it is supposed to have made do it not the slightest degree of credit. There have been wedding ceremonies performed in the sea, and indeed in nearly every possible place that eccentricity can think of, and now that the ceremony has been performed in an aeroplane, all that is open for the next "stunter" is to go up in a machine with girl and priest complete, launch themselves into space with their parachutes, and have the ceremony performed on their way down to earth—a place, let it be remarked incidentally, were eventually most marriages arrive. There is, indeed, very little to be said for these extravagances. They import into what is after all a grave solemnity something verging on the irreverent, even to those who regard marriage as nothing more than a civil contract. Fortunately government appears to regard its functions rather more seriously than other institutions do, and no one has yet established a record by securing a decree of divorce in a coal mine or at a refuse incinerator. The idea of a judge majestically descending into the bowels of the earth to satisfy the whims of some successful litigant is not only ludicrous but actually repellent. There are proper places for such ceremonies as weddings and an aeroplane is certainly not one of them.

MONARCHIST GAIN

The sudden conversion of General Kondylis to the monarchist cause in Greece is likely to have a very far-reaching effect. His contention that Greece is not yet ripe for a republican régime would probably be better expressed by saying that the attempt to maintain a republic has not proved so successful as it was first hoped, and that the unsuccessful Venezelist uprising was proof of the fact that republican adversaries could not yet appreciate the rights of their opponents. How far that is proof of the desirability of a monarchist régime remains to be seen. The recent general elections do not appear to have indicated an overwhelming desire on the part of the Greeks for a return of their king, though there is a probability that if a referendum were held a definitely pro-monarchist majority might be obtained. That probability is now rendered all the stronger by General Kondylis's change of conviction, for it is likely that he will carry a large following with him. The defection of the Premier and War Minister in this manner must necessarily prove a severe blow to the Republican Party which on principle is strenuously opposed to the restoration. That this is so is evidenced by the entry of M. Papanastasiu into the lists with a warning that the reestablishment of the throne would not necessarily put an end to disorders, but might very well increase them, for the Republicans would apparently continue resistance to the monarchy and work again for its destruction. The promise on the other hand to take part in the referendum, if assured of the neutrality of the government and if placed in receipt of guarantees of the sincerity of the plebiscite, might be taken to mean that the Republican party would accept the verdict of the country while working constitutionally for the permanent achievement of their policy.

NEW SALVATION

The suggestion which has been put forward by the Australian and New Zealand delegates to the conference of the International Labour Office amounts to one that the world should eat to be saved. Despite the fact that there are six per cent. more people in the world now than in 1929, the consumption of foodstuffs had remained stationary. If any such suggestion is adopted it would mean that the fat man would again come into his own, and the gourmand be no longer a hissing and a reproach. Men of adequate figure would be able to strut the world conscious of the apparent evidence that they were pulling the world out of the slough of despond by their processes of mastication. The hearty eater would be regarded as a hero. But gratifying as that picture might be to the adipose, lovers of humanity might very rightly ask whether it is becoming that the human race should be asked to assume the habits of the humble caterpillar and eat its way out of its troubles. Or again from another point of view, is it not highly immoral that mankind should be asked to indulge in the sin of gluttony because certain producers of edibles do not find the markets expanding in the manner they believe themselves entitled? Indeed the antipodean delegates seem to have come forward with the plea that mankind should sin to save them, and if that cry is somewhat reminiscent of the doctrines of a certain priest who met a sticky end it really cannot be helped. It is impossible to subscribe to the doctrine as a whole, but the idea of the fat man coming into his own presents certain very attractive features.

ENGLAND'S SUMMER

It has not yet been definitely determined when or how a summer's meteorological reputation is labelled in England. Last year and its predecessor gave what were known as glorious summers and exceptional in their type. It was freely expected that 1935 might falter in maintaining so pleasant a holiday-making zeal. Too early is it yet to speak. King's weather appropriately came at Jubilee time, but later the cricket reports indicated a sad falling-off. A wet Ascot seems to be perturbing fashion experts just now. The First Test Match has been washed out, but that happened to one game in 1934. So this summer may yet rehabilitate itself. Much will depend on what happens at Henley, but even more on the treatment accorded to holiday-makers in August and September. That perhaps gives the clue: the summer's reputation is really settled by the Most Important People of the schools of England. If they return to work late in September and inform each other that the weather was "foul," 1935 will have to take that verdict as final. It is no use appealing to the farmers for all summers are alike to them—and proper subjects for abuse.

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"PRESSURE POLITICS"

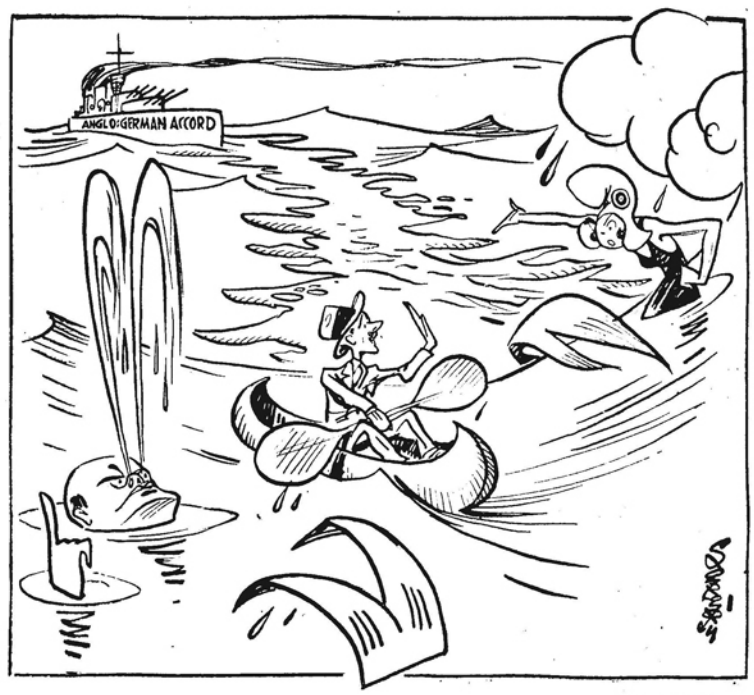
It is reported that the U. S. Congress is greatly exercised over the technique of "pressure politics" by means of which congressmen are persuaded to adopt certain policies merely because of the weight of representation which is made to them. Thus recently Congress defeated the movement to adhere to the World Court because Father Coughlin appealed over the radio to his listeners to telegraph to their representatives instructing them to vote against the measure. A similar thing occurred with reference to the Soldiers Bonus Bill which, with a great deal of public clamour behind it, passed Congress only to be vetoed by the President. While lobbying at Washington can, perhaps, be curbed by legislation such as is suggested in the report which appears elsewhere, it is difficult to see how it will be possible to prevent Senators and Representatives from being deluged with telegrams from their constituents instructing them how to vote. It is obvious that if a Senator receives a large enough number of telegrams urging a certain course of action he will, with a weather eye on the next election, follow the wishes of those who communicate with him, no matter what his own judgment on the matter may be. The transfer of government from Washington to every telegraph office throughout the the United States has about it certain uncomfortable aspects. Not the least of these is the manner in which democracy in the mass is being allowed to demonstrate its wishes. It is not always so well apprised of the facts as the men to whom it entrusts its legislation, but some spellbinder over the wireless can persuade the masses very often to the detriment of the nation. It tends to bring about a new type of politics which does not look at all promising and needs to be nipped in the bud.

THE GOLD CUP

Once again the blessed uncertainty of racing has been revealed. The expectations that the Gold Cup race at Ascot would provide a classic contest between national champions were not fulfilled. Windsor Lad was withdrawn. Tai Yang followed suit and now it is not at all clear whether Felicitation went to the post among the six runners. He strained a tendon at the end of May and it was then stated that his racing days might be numbered, but he was not recorded by the cables as a non-starter, although it is certainly curious that no mention is made of his performance in the race. Brantome seemed, in the circumstances, to have the Cup in his elegant French pocket. The English weather, with all the perfidity which Albion knows how to mobilize on occasion, came to the rescue of the English thoroughbred, reinforced, Sir Abe Bailey will no doubt say, by the sterling qualities of Tiberius and his jockey, Weston. For Tiberius is no mean performer. In his last two races of the previous season he took the New-Market and Liverpool St. Leger Stakes from that quite well esteemed animal Achtenan. And it will be remembered that in the Derby won by Windsor Lad in 1934, he ran fourth with Easton and Colombo only between him and the winner. It is therefore specially appropriate that Tiberius should effectively defend the Gold Cup in Windsor Lad's absence.

A DOUGHTY BISHOP

Lord William Cecil, as the brother of the Marquis of Salisbury, was the single dissentient among the Bishops present during the second reading of the India Bill. Thus the solidarity of the present generation of Cecils—leaving Viscount Cecil of Chelwood out of account—is vindicated for the other brother, Lord Hugh Cecil, has followed the Marquis in determinedly opposing the Bill. The Bishop of Exeter appears to have based his opposition on a general objection to democratic forms of government. Probably there are no abler exponents of this view than he and his gifted brothers. The Elizabethan traditions of the House of Cecil are strikingly illustrated in the influence which the neo-Georgian members of that House still exercise on British politics. Even his most inveterate opponent will not fail to accord to the Marquis of Salisbury remarkable powers of expounding the merits of the aristocratic system of Government. The sincerity and lofty patriotism of these noblemen disarm ridicule, especially as their capacity for public service is unquestioned. Moreover, when assailing democracy, they can develop formidable arguments the truth of which it is by no means easy to traverse. How Viscount Cecil manages to reconcile himself to the general trend of the family's politics it is not possible to surmise. His present absorption in the League of Nations probably preserves him and them from a definite decision on the issue.



By SAPAJOU

SMOOTHING DOWN THE BACKWASH

SHARING WEALTH

President Roosevelt's message to Congress on the subject of the redistribution of wealth by higher taxation of the wealthy is, as he admits, dictated by a realization that social unrest in the United States has assumed a gravity which necessitates immediate and drastic treatment. The accumulation of fortunes of astronomical dimensions has been one of the features of American business which has aroused the envy of those not so successful in life. The contention that such fortunes were made not only by ability and luck but because of opportunities to which the government contributes is not only true but justifies the contention that restriction should be brought about by further taxation. The proposed taxes do not appear exorbitant to foreign observers, who remember how high taxation is in their own countries, and may possibly be fixed at present figures because of a desire not to arouse too much opposition to legislation which is so necessary. Indeed it only appears to touch the fringe of the subject, leaving plenty of room for development. The tax on gifts designed to circumvent the inheritance tax will serve to defeat those who by huge gifts in their lifetime have sought to deprive the government of money which should come to it on the deaths of the donors. Such an instance is that of Mr. Andrew W. Mellon, who gave huge fortunes to his children, to see, as he phrased it, whether they were capable of handling huge fortunes. Whether that was his sole idea or not, the plain fact is that the government thereby was deprived of sums which it had every right to expect, and if the desired new legislation eventually becomes law, experiments of this nature will not be carried out to the loss of the government.

OTTAWA SUCCEEDS

While the Ottawa Agreement has met with considerable criticism from those who have not yet got as much out of it as was at first anticipated, Mr. J. H. Thomas's statement as to results to date leave little room for doubt as to its efficacy. The Agreement, protecting the interests of the people of Britain, was designed also to encourage all parts of the Empire by giving preference to the Dominions having due regard to the vital importance of British trade with other countries. It has undoubtedly stimulated imperial trade, and that in a most remarkable manner. As compared with 1932, Canadian trade with Britain increased 17 per cent., Australian 8.7 per cent. and New Zealand 9 per cent. Exports from the United Kingdom to the Dominions witnessed increases ranging from 10 per cent., in the case of New Zealand, to 72 per cent., in the case of South Africa. Mr. Thomas rightly claimed that these figures completely justified the Ottawa Agreement, so much so that without exception every Dominion that was a party to it could at the moment show a budget surplus and a clear tendency towards prosperity. Irritation over certain phases of the operation of the Agreement has been displayed, notably in Australia which resents not receiving a larger quota in the supply of meat to the United Kingdom. It is apparent, however, that Australian wishes could only be met at the expense of the Argentine, which is also a big customer for British goods, a trade which might have diminished had Argentine's quota been too drastically reduced. Obviously the success of the agreement can only be continued on a basis of give and take, governed by the fact that the greatest possible care must be taken of the Empire's foreign trade, but this initial success is a clear indication that the policy enunciated at Ottawa is sound and, wisely administered, may be confidently looked upon to produce even better results.

A JUBILEE GIFT

The King's Jubilee gift to the London County Council has given great pleasure to that comparatively young but experienced and vigorous municipal administration. In the early days of its career the London County Council found itself unconsciously pitted against the older and more magnificent Corporation of the City of London. Time mellowed these differences. Now the two bodies are on cordial terms and there is no disposition at the Guildhall to look down on the County Hall, with its enormous responsibilities. Nor does the County Hall belittle the historic privileges and place of the Lord Mayor across the water. Now the King has decided that the Chairman of the London County Council shall in future be entitled to the style of Right Honourable. This, of course, does not necessarily imply membership of the Privy Council for the title goes to any Peer lower than a Marquess, whether he be Privy Councillor or not. So the present Chairman, Lord Snell, is already possessed of the title in his personal right. The gift puts the Chairman of the London County Council on the same footing as the Lord Mayor of Belfast, the Lord Provost of Glasgow and the Lord Mayors of Sydney, Melbourne, Adelaide, Perth and Brisbane, all of whom are "Right Honourable" during their terms of office by modern grant. The title of Right Honourable given during the term of office to the Lord Advocate of Scotland, the Lord Provost of Edinburgh, the Lord Mayor of London and the Lord Mayor of York is by "immemorial usage" and whatever distinction the Chairman of the London County Council may acquire, it cannot accrue from that source.

NERVOUS SILVERITES

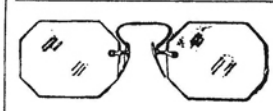
Mr. Henry Morgenthau has shown courage in confronting the intolerable pertinacity of the silver interests. His action in taking a definite part in the protection of the franc has earned for him support which may be useful in meeting the latest move of the "unofficial silver bloc" in the Senate. Apparently his clear suggestion that advocates of further silver purchases are merely serving the speculator's convenience has not caused a single blush to appear on the cheek of the Nevada champion. The time is rapidly approaching when the American Government may ask whether it should indefinitely permit the national interest as a whole to be sacrificed for the benefit of the silver group. On that point the American Economic Mission, now on its way back to the United States, may give Mr. Morgenthau good reinforcement. America's trade with China is by no means negligible and it is being seriously prejudiced by the efforts of Silver Senators to harness Washington's motive power to the speculators' rickety coach.

A GARDEN CITY

Welwyn, where a terrible railway accident has occurred in England, is a Hertfordshire "Garden City" which has taken its origin from the Town Planning Act passed in 1909. Letchworth was the first product of the idea of founding an ideally planned residential "city" on a vacant site, in contradistinction to the development of urban areas on "town planning" lines. In a sense Welwyn is a "satellite" town to London for its position was selected so as to enable its inhabitants to go backwards and forwards in approved suburban fashion. In short Welwyn is the dormitory of a large number of London workers of the professional and clerical classes. Letchworth, perhaps, was planned on more ambitious lines in that it included the establishment of industries in model surroundings, notably the bookbinding and publishing trade. The spread of London's urban tentacles has brought Welwyn perilously within the grasp of suburbia, but it has managed generally to maintain its original ideals and has not fallen too unresistingly a victim to the exploitation of the builder.

POLICE DOGS

Whatever may be the result of the case in the Court where an Alsatian's conduct is under judicial review, attention may be appropriately drawn to the disclosure that what are known as "police dogs" are somehow obtainable by the general public for watch-dogs. This constitutes a serious danger. A police dog under police control has certain functions in the detection of crime and his use is strictly directed in such a fashion that, on his behalf, discrimination is exercised by his expert guardians. When transferred to what may be called civil life no safeguard is provided against the irrelevant expression of his former professional zeal. The householder who uses such a dog as a watchdog may be quite unable to prevent serious consequences. There seems to be imperfect appreciation of the fact that animals cannot be allowed to bring the habits of the jungle into the simple life of urban homes.



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SHANGHAI NOTES

EX-SERVICEMEN

The visit of British Ex-Servicemen to France is an appropriate reminder of the general applicability of Herr Hitler's emphasis on the ex-serviceman's influence in the cause of international understanding. In that spirit the Prince of Wales made his striking declaration in advocating a visit of the British Legion to German-British Ex-servicemen in Shanghai have been entertained by German Ex-servicemen with the same cause in view. British participation in this reunion effectively helps to establish that desire for peace which is not less evident among Ex-servicemen in France. By ties of a common racial origin British and Germans can be more readily led to this obliteration of old animosities. And, with all humility and diffidence, it is the British hope that, by British influence, Germans and Frenchmen may be eventually less embarrassed in attempting the same fraternization. For, however strong may be the call of kinship, no British Ex-serviceman, even though saluting as comrades his former foes, is disposed to relinquish a jot of those loyalties forged in the trenches as between him and his country's gallant allies when fighting shoulder to shoulder for a common ideal. In the hope that that ideal may be shared—as Herr Hitler has suggested it may be shared—by French, German and British alike, British ex-Servicemen engage in this grateful task of reinforcing the bulwarks of true civilization.

* * *

Congratulations rightly go to the German hosts on the success of the reunion so happily arranged with British Ex-Servicemen on Wednesday evening. The speeches on the occasion were direct and sincere and the presence of representatives of His Majesty's serving sailors and soldiers gave an authentic note to the ceremony. Not that ceremonial was irksomely to the fore. The necessary formal expressions of view having been given with due compliment to the heads of the respective nations, the evening developed into one of joyous festivity. It is to be hoped that the spirit thus engendered may not be allowed to fade away and that, in the congenial atmosphere of this international community, its influence may be extended beyond the immediate limits of the two nations first associated in acclaiming it.

PARKING PROBLEM

The last thing this journal would wish to do is to discourage the constructive genius of its correspondents or to damp the ardour of their reforming zeal. Still, candour impels the admission that many of the suggestions made for coping with the parking problem have been weighed in the balance by municipal experts and found wanting. Moreover, there seems to be forgetfulness of the fact that the Council has given long notice of its intention early in 1936 to prohibit parking in the Central District. This preliminary notice, given a few weeks ago, was inspired by the belief that within the period between its appearance and the actual execution of the idea disclosed, private enterprise might take the opportunity to organize parking garages on commercial lines as in other large cities. Correspondents are invited to continue framing their suggestions. They may find their originality properly sharpened by this reminder of what the future has in store.

"TRIP TO THE MOON"

Although Thomas Edison's production of "The Great Train Robbery" in 1903 has been held by certain authorities to be the "parent photo-drama," Mr. H W. Ray of the Grand Theatre, Shanghai, can produce personal direct evidence to the contrary. When Mr. Ray was serving with his regiment, the Sherwood Foresters at Newport, Isle of Wight, in 1903, he was among those who arranged a cinema performance at which Princess Beatrice, the daughter of Queen Victoria and the mother of Queen Ena of Spain, was an honoured guest. The film shown was Lumiere's "Trip to the Moon", based on a Jules Verne story. Obviously if that film was available to the Isle of Wight in 1903, it must have been produced before "The Great Train Robbery." Incidentally it was considerably longer for the Edison film was only 800 feet in length. Curiously enough, in 1914, when travelling in the interior of China, Mr. Ray came across a performance of "Trip to the Moon" which was being shown to a Chinese audience and apparently, going strong.

THE LIQUIDATION

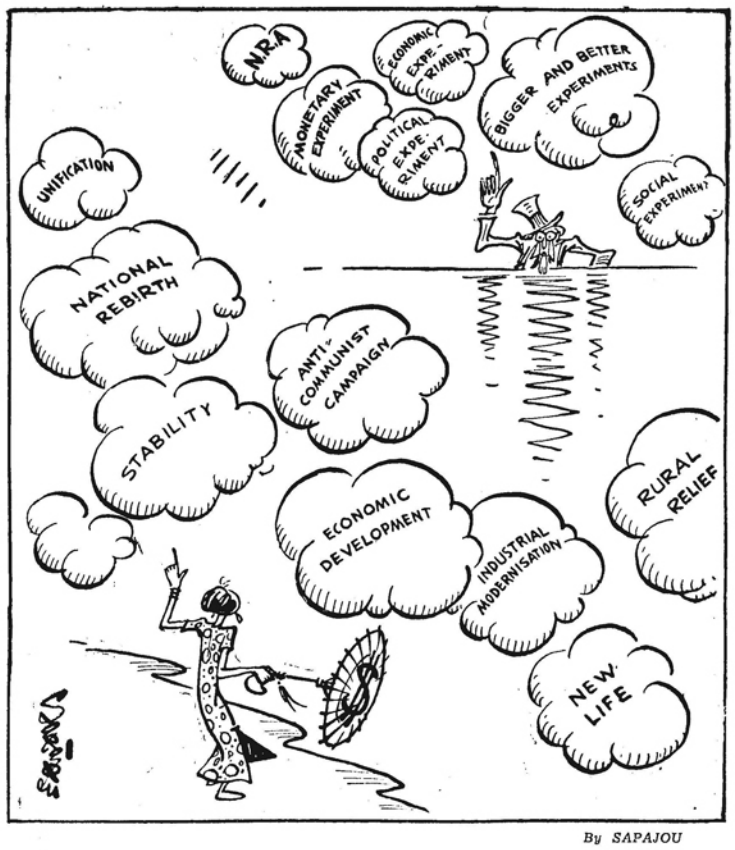
Mr. F. L. Hough's caustic statement regarding the progress of the collections under the liquidation of the American-Oriental Banking Corporation makes unpleasant reading. Due allowance will at once be forthcoming for those debtors who are so placed that they cannot immediately meet their liabilities. They have a clear course of action which some of them have taken—in a frank statement to the Liquidator who doubtless will take all the relevant facts into consideration in tempering the wind to the shorn lamb. There are obviously others—who are trying to evade their responsibilities in the hope that by some means or other they may stave off the evil day of repayment or make a profitable bargain with the Liquidator. Mr. Hough is standing no nonsense and he will have the warm support of all the Bank's unfortunate creditors in the firm legal action which he proposes to initiate next week in order to bring these debtors to a proper realization of their responsibilities. Incidentally the statement, taken in conjunction with the figures already made public, throws a queer light on the confident assurances given at the time of the Bank's closure. Mr. Hough has evidently a heavy task ahead of him, but he is showing the right spirit of determination. Creditors must feel that when the full implications of the failure have been revealed, appropriate measures will follow.

* * *

It is natural that the publication of the Official Accountant's summary of the accounts of the American-Oriental Banking Corporation and associated companies should evoke comment and impatient desire for further information. It is healthy, too, that this close interest should be shown in the affairs of the company. Nevertheless, it is necessary to draw attention to certain principles which the Liquidator is bound to take into account. His work, under the direction of the court, is obviously to endeavour to secure as satisfactory a liquidation as possible for the benefit of the bank's creditors. In his responsible position he would be doing no service to the public if he delivered himself of expressions of opinion before he had been able thoroughly to investigate the affairs of the various companies concerned. The physical labour involved is great, as any business man will realize. In addition, the Liquidator probably has to deal with the administrative work of collecting accounts, investigating claims, and all the other operations connected with winding up a company. While, therefore, legitimate curiosity is aroused by the publication of the accounts, it is not probable that that curiosity can be immediately satisfied without prejudicing the interests of the liquidation as a whole. The court's instructions to Mr. Hough have been very clear and the intention behind them has been emphasized by Judge Milton J. Helmick's blunt declarations. It can, therefore, be taken for granted that Mr. Hough will proceed with the liquidation in the most thorough manner possible and in due course there will be an appropriate report made to responsible authority so that full light can be thrown on the circumstances in which these companies came to grief. Surmises and deductions have their value, but they are out of place in any statement which professes to give the actual facts on which considered judgment can be based. Some criticisms seem to suggest that the Liquidator is a kind of policeman concerned only with the detection of misdemeanour. This, of course, is wide of the mark. The Liquidator's job is to obtain as favourable a liquidation as is possible, and in doing so, if there should be discovered any matters necessitating the invocation of legal action, such disclosures will be automatically forthcoming and will be dealt with appropriately under the orders of the court. No doubt this plain statement of the position may be poor consolation to a large number of people who are in dire distress as a result of the bank's failure. But it is certain that were the Liquidator to act on any other lines than those described by the principles outlined above, the ultimate interests of the general body of creditors would be ill served.

CHAMPERTY

In H. B. M. Supreme Court, Judge Grant Jones has delivered an interesting judgment on the subject of that peculiar English common law misdemeanour known as Champerty which differs from the other misdemeanour. Maintenance, only because the recompense for the service which has been given is always part of the matter in suit. It is well that the Court should thus show itself vigilant in penalizing a practice which, although not illegitimate under the laws of other countries, is rigidly condemned by English law in order to discourage the evil of litigiousness. Inevitably, in an international community, the conflict of codes exposes some practitioners to the danger of laxity in observing the principles under which they have been enrolled. Strict correction from the Bench is therefore to be welcomed, as a guarantee that the high standards of the British Bar will not be lightly allowed to fall into neglect.



By SAPAJOU

WHO HAS THE GREATER NEED FOR THE SILVER LINING?

OVERCROWDNG

The Registrar of H.B.M. Supreme Court has rendered a service in firmly administering the law relating to the overcrowding of public vehicles in Shanghai. The regulations exist. The police are charged with the duty of seeing that they are observed. The Court has to uphold them when their breach has been proved. That is the plain reading of the situation. It is quite irrelevant to argue that "this is Shanghai" and therefore overcrowding is unavoidable. If that thesis is to ride supreme over administrative action, then the regulations will have to be altered. The fact is that the public deserves to be properly protected—against itself, maybe, as well as against the risks to which it is exposed by overcrowded vehicles. From overcrowding many palpable nuisances arise—among them, possibly, the smoke evil. But, more serious still, is the constant risk of disaster which an overcrowded tram or bus must invite. Overcrowding occurs in other cities, but steps are persistently taken to mitigate and correct it. For example the London Underground—at enormous expense—has lately extended the platforms of a large number of its stations to cope with this evil. This extension involved elaborate engineering operations but the London Transport Board could not otherwise have complied with the obligations accepted under its franchise. Each city has its own difficulties. Shanghai is certainly troubled with the rickshaw incubus and unfortunately the Council's Rickshaw Board has not yet been properly impressed by the need for restoring the policy of ultimate elimination to the forefront of the Council's programme. However, the 'bus and tram companies have to deal with facts as they are. If a fatal accident occurred the contention that Shanghai's peculiarities put it on a plane different from accidents elsewhere would hardly be accepted. Therefore, Mr. C. H. Haines is to be commended on having given the companies a useful text on which to frame their future arrangements with better regard for public convenience.

SPECIAL PLEADING

As the rabies danger is serious a further attempt will be made to brush aside "P.K.'s" obstinate special pleading and to bring him down to brass tacks. His Indian jungle story need not be seriously discussed. He obviously does not understand that the dog would need the man's protection against the karait, for it would itself otherwise have no earthly chance in the encounter. The idea that this journal would take another line had it had any experience of canine devotion is quaint, if only because of the apparent assumption that such experience is lacking. That assumption, being based on inaccurate premises, could be at once dismissed, but, in the possibly vain hope of making "P.K." perceive that he is really a non-co-operator with the Council in its efforts to stamp out rabies, it will be patiently pointed out that the muzzling order is not receiving his support when he makes an intellectually dishonest attempt to accuse the Council of authorizing a cruel form of muzzling. Nor is he less intellectually dishonest when he attempts to drag the red herring of propaganda across the trail. The point that this journal has made and still makes is that rabies must be stamped out. In addition to the recognized methods of prophylactic treatment, the muzzling of dogs, the destruction of "strays" and the protection of the public against dogs with savage tendencies are essential features of the campaign. In prosecuting that campaign the Council rightly demands the public's support. Indulgence in hair-splitting, special pleading, irrelevant arguments *ad hominem*, is not the mark of good citizenship, but rather of misplaced flippancy which "P.K." will surely be the first to condemn if he can give the subject the reflection which it deserves from his admitted sense of responsibility.

HAWKERS

The Settlement Police are ready to take action in mitigation of the hawker nuisance so long as there is no interference with the legitimate business activities of a class which is rendering recognized service to the community. It is not perhaps realized that some hawkers are engaged in certain districts in the useful occupation of selling wares to workers in time-honoured fashion, the service which they render would not be available and the resultant inconvenience to the general public would be considerable. The Police recognize, however, that some hawkers may be overstepping the bounds prescribed and where they thus definitely become a nuisance to a neighbourhood, due report should be made to the nearest divisional headquarters for the necessary inquiry and action.

AN ENGLISH LECTURER

Professor Lancelot Forster of Hongkong University, who has now returned to the Colony after a brief visit to North China, has been lecturing to the Universities at Peiping on English Ideals and Methods of Education. Professor Forster has also been travelling in Inner Mongolia where, on a motor-tour of about a fortnight's duration, he visited many lamaseries. Professor Forster has held the Education Chair in Hongkong University since 1926, but he has been in China for many years coming out first as Headmaster of the Victoria British School, Hongkong. He was seconded to the University in 1920 and appointed Registrar in 1925. Last year he was President of the Hongkong Teachers Association. He is a graduate of London University and also studied both at Oxford and at Cambridge in the course of his educational career in England. He takes a keen interest in Chinese affairs and his visit to North China should have done much to assist in developing contacts between the Universities there and the University with which he himself has been so long associated.

THE IDEAL SUBSCRIBER

Not content with discovering the girl with the golden voice for its telephone exchanges, the General Post Office in London is reported to be considering the idea of searching for "Perfect Telephone Subscriber." It is not at all clear how it proposes to achieve this quest for after all the London system at all events is largely devoted to the automatic principle. No doubt the Shanghai Telephone Company would find relief from its present anxieties in a similar kind of adventure—adapted of course to the requirements of Shanghai. Perhaps it might accept the suggestion that a prize for the best tempered recipient of its monthly accounts would stimulate public courtesy and, in the long run, help to dispose of the financial problem of that ten per cent. profit. Incidentally the notion of training the public in talking on the telephone has much to commend it. The broadcasting hobby is doing something in that direction, for the listener-in has become acutely voice-conscious. There are certain announcers who give pleasure whenever they make themselves heard. There are also others. The same difference of opinion probably prevails regarding voices on the telephone. Wild horses or tame Alsatians however, will not drag from this journal more specific observations.

CANTON is to indulge the mass-marriage fad this year. It is announced that the first mass-marriage ceremonies will be held in Canton on October 10 on the occasion of National Independence Day.

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NEWS FROM THE OUTPORTS

DISAFFECTION IN CANTONESE FLEET

Precautions Taken to Prevent Spread of Mutiny: Return to Nanking's Fold

IT was reported from London on June 22, that, unless the British Government is informed by the Nanking Government that the runaway cruisers, Haisen and Haichi, are rebel ships, the British authorities will continue to regard them merely as part of the Chinese naval forces.

In Hongkong it was authoritatively denied that the Nanking warships now in the vicinity of Hongkong are contemplating a blockade of Canton to secure the release of Admiral Kiang Si-yuan if other means fail. In Nanking also the rumour of a blockade was ridiculed in authoritative circles. The opinion was expressed that the mutiny should be regarded merely as a dispute between the local authorities and the runaway cruisers, which the Government had been asked by the parties concerned to aid in settling. Naturally, it was added, the Government was willing to lend what assistance it could to bring about an amicable conclusion. It is understood that the Ministry of the Navy is shortly issuing a statement explaining the details of the negotiations between Nanking and those in command of the cruisers.

Hongkong, June 19.

The two Canton rebel cruisers, Haisen and Haichi, entered Hongkong harbour at 12.30 this afternoon.

Last night, when the two warships still were outside the territorial waters of the Colony, the Hongkong Police stated that they were not interested, and were not doing anything in the matter.

To Join Nanking

Later.

The Haisen and Haichi are to sail shortly for Nanking to serve the Central Government, Admiral Chen Ho, commander of the Haisen, and Captain Tong Ching-hoi, who has taken charge of the Haichi, announced in the press to-day. They said the cruisers would remain in Hongkong for three days, taking on provisions and fuel, before proceeding to the North.

Admiral Chen, in an interview, declared that the "mutineers" decided to leave Canton because they preferred to serve their country rather than an individual faction in a time of national crisis. They were communicating with Nanking regarding their future movements and a courier had been sent to apprise Gen. Chiang Kai-shek of the recent events and to pledge their loyalty to the Nanking Government.

Neither the Haichi, which has 650 men on board, nor the Haisen, which has 350, appear to have been badly damaged by the gunfire to which they were subjected by the Bocca Tigris fort, as they fled down the Pearl River from their moorings at Whampoa. The wireless apparatus of the Haichi, however, was shot away.

Story of Flight

A third cruiser, the Shaoho, was also involved. Trouble had been brewing for some months aboard the three vessels, on account of pay cuts and other economies, as well as dissatisfaction with the general conditions of service. On Saturday, the crews of the Haisen and Haichi suddenly overpowered certain higher officers who refused to join the mutiny, and placed them in irons aboard the Shaoho. About 3.15 that afternoon the mutineers' leaders gave the order for the three ships to move off from their moorings at Whampoa, which is about five miles down the river from Canton. Immediately the alarm was sounded ashore, and several hundred troops were despatched to the river banks. They opened fire on the cruisers, which were not then prepared for action, and wounded a few ratings.

About 5 o'clock, the ships arrived at Linhuatung, where the river is extremely shallow, and they were forced to wait for the tide until one o'clock the following morning. Meanwhile, fearing they would be bombed from the air, the mutineers sent a message to Canton, declaring that they were prepared to surrender, but this was merely bluff, and with the rising tide the Haichi and the Haisen steamed towards Bocca Tigris, leaving the Shaoho stuck in the mud.

Shelled by Forts

Passing Bocca Tigris, the ships came under heavy fire from the forts, while aeroplanes bombed them in the darkness, but the visibility was poor, owing to rain and no hits were registered by the 'planes. The Haichi, which was in a favourable position, exchanged shots with the forts, and a running cross-fire was kept up until the cruisers rounded the bend of the river. 'Planes continued the pursuit, but, because of the darkness and blinding rain, they were unable to operate, and one after another they flew back to Canton, leaving the cruisers peacefully to pursue their way to the sea.

Officers of the two ships declared to-day that all on board were in complete agreement on the proper course to take, although a number of seamen who did not wish to proceed to the North would be allowed to go ashore in Hongkong. It is understood that some will avail themselves of this offer.

It is stated that some fighting occurred among the crew of the Haichi after the vessel's escape from Canton, because certain of the sailors were opposed to the movement. Admiral Fang Nien-tsao, commander of the Haichi, was absent in Canton when the mutiny started.—Reuter.

Innocent Victims

Hongkong, June 20.

Ten revenue officers and two villagers were killed during the engagement between the runaway cruisers Haichi and Haisen and the Bocca Tigris forts on Monday, as the warships were steaming away from Whampoa, following their defection from the Cantonese fleet. A shell from the Haichi fell into a house occupied by revenue officers, killing ten of them on the spot, while another projectile exploded in an adjacent village and claimed the lives of two of the inhabitants.

Officers of the two warships state that, in addition to pay-cuts and other grievances, the squadron much resented always being confined to the river and not being used in its proper capacity as a seagoing unit. Ill-feeling also arose because the Cantonese authorities ignored ordinary precedents in the matter of promotion, appointing their own captains and commanders without regard to their experience.

The vessels hung about for two days on the fringe of Hongkong's territorial waters before venturing inside, entering harbour only after they had received permission from the Colonial Government.

It is learned from reliable sources that the Cantonese authorities have decided not to make any fresh efforts to regain the cruisers, but have passed a resolution immediately to improve the various forts and otherwise strengthen the provincial system of defence. They also have decided to proceed with a programme of naval expansion, which will include the training of men. It is understood that the Whampoa Naval Academy probably will be enlarged, and that the cruiser Shaoho—the third of the three vessels which defected from the North-eastern squadron in 1933—will be converted into a training-ship.—Reuter.

Shelling Explained

Hongkong, June 22.

The mysterious cruiser which last night fired on the runaway warships, Haisen and Haichi, and sent them scuttling back to Hongkong after they had set sail for Shanghai to serve the Central Government, dramatically entered the harbour herself shortly after midnight and was guided to anchorage at the naval buoys by a searchlight from the Naval Dockyard. She was identified as the Ning Hai, the most modern cruiser in the Chinese fleet, which had been sent by the Ministry of the Navy to escort the runaways on their voyage north. The Ning Hai has on board Vice-Admiral Chen Chi-liang, Vice-Minister of the Navy, and Commodore J.A.V. Morse, Adviser to the Chinese Navy, who formerly served in H.M.S. Repulse.

Describing the incident off the Waglan lighthouse, which is just outside Hongkong harbour, officers of the Ning Hai told pressmen:—"We ordered the Haichi and Haisen to return to Hongkong, but the shots we fired were just warning shots, and were not intended to damage the cruisers."

They declared that a full reconciliation had been effected between Nanking and the rebel cruisers and the Ning Hai would escort them to the North within a few days. The Ning Hai, they stated, was at Amoy in the course of a routine cruise when she received instructions from Nanking to pick up the Haichi and Haisen at Hongkong.

More Complications

Meanwhile, the situation has been further complicated by the arrival in Junk Bay, a few miles outside Hongkong, of two other Nanking vessels, the Hai Chu and the Hai Yung. Nanking vessels in this vicinity now number six, including the Tungchi, which steamed into Hongkong harbour yesterday on a mission the purpose of which is unknown. It is suggested that she was sent to report by wireless the departure of the cruisers to the warship waiting outside.

The commanders of the two vessels, in conversation with Reuter's correspondent, confirmed the Ning Hai's version of the incident. After firing warning shots, they said, Admiral Chen Chi-liang signalled them to return to Hongkong to await orders, and this they promptly did. Their relations with Nanking were still cordial.

The British lighthouse-keepers at Waglan state that 12 rounds were fired by the Ning Hai and that the runaway returned the shots.

Various theories are being advanced for the incident. It is recalled that Gen. Chen Chi-tang, Commander-in-Chief of the Cantonese forces, charged the mutineers with having sold out to the Japanese, and it is suggested that the Ning Hai was sent to Hongkong to prevent the cruisers deserting to Formosa. This theory, however, is scouted in Japanese consular circles. Others believe that Nanking is paving the way for a rapprochement with Canton by dealing summarily with the mutineers, at the same time punishing them for their desertion in 1933 when they left the Northeastern Squadron and sailed to Canton to join the Cantonese navy.

Nanking's Plan

Reports from Canton state that officials there believe that Nanking adopted the plan of driving back the cruisers to Hongkong rather than openly accept the offer of their services, which would be a direct affront to Canton. Nanking can now, through diplomatic channels, apply to the Hongkong Government for the return of the vessels.

Meanwhile, all ratings of the British submarine Regent and the destroyed Defender have been recalled from shore leave in consequence of the night's events. A British destroyer has moved down the harbour to Kowloon Bay to keep watch on the rebel cruisers and to ensure that none of the mutineers succeed in getting ashore.

Apparently, considerable disaffection prevails aboard the two warships. It is revealed that the rebels are holding Admiral Chen Ho, the Cantonese Commander of the Haichi, as a virtual prisoner. They hope later to offer him in exchange for the northern admiral, Kiang Si-yuan, who is at present held prisoner at Canton. Forty Cantonese naval cadets also are being held aboard the Haisen and Haichi, as hostages for the safety of Admiral Kiang Si-yuan.

It is thought possible in some foreign circles here that Nanking contemplates a naval blockade of Canton if all other means of securing Admiral Kiang's release fails. This would explain the presence of so many Nanking warships in the neighbourhood of Hongkong.—Reuter.

Regrets for Shots Fired

Hongkong, June 23.

In spite of previous denials by both sides, the captain of the cruiser Haichi, which deserted Canton last week in an ostensible attempt to return to its original base at Nanking, to-day declared that the Ninghai, China's newest cruiser, fired thirty shots at his vessel last Friday.

Vice-Admiral Chen Chi-liang, vice-minister of the Navy, who arrived here in the Ninghai, later expressed his regrets at the firing off Waklan light house, explaining that the incident was due to a misunderstanding.

It is rumoured here that Admiral Chen intends to replace the entire officers' complement of the rebel ships, Haichi and Haisen, as they have twice changed their loyalty during the past two years, previously leaving Nanking for Canton. The admiral has indicated that the present officers are unreliable.

A Shantung gunner aboard the Haichi failed to close the breach of one of the guns when reloading during a series of salutes on Saturday. The gun backfired seriously, and the man was taken to an hospital in serious condition, dying a short time after admittance.—United Press.

Canton Relieved

Canton, June 23.

Nanking's denial that a naval blockade of Canton is contemplated has brought considerable relief here, although the continued presence of Central Government warships in southern waters is still a source of worry.

The general opinion here is that a blockade is unlikely, as such a step it is contended, would serve no useful purpose and, besides, might even cause international complications.

It is understood that about 40 other cadets are being still detained by the mutineers, who will probably not release them until the Cantonese authorities liberate Admiral Kiang Si-yuan, commander of the squadron to which the cruisers belonged, who is under arrest here pending a court-martial.

Japanese officials have lodged a protest with the local authorities over the fact that they were not notified of the declaration of a state of emergency in the Whampoa and Bocca Tigris areas on the night of the mutiny. They allege that the failure of the authorities to give due warning caused a Japanese warship and a Japanese steamer to sail into the danger zone.

Meanwhile, much speculation has been aroused by the sudden arrival in Canton of General Chiang Kwang-nai, former Governor of Fukien, who was a commander of the then-famous 19th Route Army during the Sino-Japanese hostilities at Shanghai in 1932, and who figured prominently in the Fukien secessionist movement the next year.—Reuter.

An Official Explanation

Hongkong, June 24.

The Vice-Minister of the Navy, Admiral Chen Chi-liang, today gave Reuter's correspondent an official explanation of the presence in Hongkong waters of the war vessels from Nanking and their intentions in connection with the runaway cruisers, Haichi and Haisen. He said:

"We came here merely to conduct the Haisen and Haichi north. Our action has no political aspect, being entirely a naval matter, and it is fully supported by the Government. No affront is intended to Canton, and all the vessels here are returning to Nanking when the necessary arrangements are completed."

Discussing the incident at Waglan, when the runaway cruisers were warned to return to Hongkong by gunfire from the Ning Hai, Admiral Chen said that the runaway warships had brought trouble upon themselves by disobeying orders in leaving Hongkong prematurely and acting in a suspicious manner. When the Ning Hai sighted them on Friday evening, he declared, they were not steering towards Amoy as they had claimed.

Admiral Chen concluded by stating that all six warships at present in Hongkong waters were still awaiting orders from Nanking. It was at present believed that the Haisen and Haichi would be allowed to proceed north with their crews intact, but their personnel would probably be broken up later and transferred piecemeal to other vessels.

It was revealed to-day that four delegates from Canton arrived in the Colony on Friday for the purpose of requesting the mutineers to return to Canton. They were promised ample rewards and a general amnesty if they would do so. The commanders of the cruisers, however, declined the proposal.—Reuter.

A Fall in Canton's Money Barometer

Canton, June 21.

Indicative of the increasingly unsettled state of affairs in the South, the premium on Hongkong dollars here continued to climb to-day, reaching 498 per 1,000. This is the highest figure reached during the last 18 months, but it is still below the record set during the Fukien rebellion, when every thousand Hongkong dollars could be exchanged for 1,520 Canton dollars.

Local banking circles predict that a further rise is likely and that the 1933 record will be broken.—Reuter.

GROWTH OF KWANGTUNG WEAVING INDUSTRY

Canton, June 20.

In order to meet the growing demand for silk products, the Kwangtung Spinning and Weaving Factory has decided to expand its silk-weaving department. Ten new machines have been installed and more are expected to arrive shortly. The number of spinning jennies also has been increased by 100.

The installation of machinery in the cotton weaving department has been completed, and buyers have been sent to the North to purchase raw materials. It is expected that a large quantity of cotton goods will be ready for the market by the autumn.—Reuter.

CANTON RECALLS MEN FROM BORDER

Pledges of Loyalty to the Generalissimo

Canton, June 22.

Cantonese troops stationed on the Kweichow-Kwangsi border are being recalled, presumably in consequence of recent developments arising out of the naval mutiny. It is authoritatively learned that the Fifth Division has already started its march back to Kwangtung, while the Sixth Division is expected to start at any moment. Meanwhile, Kwangsi forces are also being recalled from Kweichow.

The authorities, while deeply concerned over the naval concentration, decline to comment, but it is generally admitted that the situation is fraught with dangerous possibilities.

The arrival of so many Nanking warships in the vicinity of Hongkong, together with the report that a complete understanding has been reached between the Nanking naval authorities and the mutineers' leaders, has caused great alarm here. It is feared that the warships may have a mission of far greater significance than that of merely escorting the runaway cruisers to the north, although that was the avowed purpose of the Ning Hai's visit. Officials are frankly puzzled by the latest developments, although the shooting incident off the Waglan lighthouse has been partially explained.

It is learned that Mr. Kan Kai-how, Commissioner for Foreign Affairs for Kwangtung, has been sent to Hongkong to maintain close touch with the situation. Pending a report from him the authorities are undecided what move to make at the present time. It is officially confirmed, however, that Gen. Chen Chi-tang, Commander-in-Chief of the Kwangtung Army, has requested the Hongkong Government to detain the cruisers.

While Admiral Kiang Si-yuan and other high naval officers are still imprisoned, further arrests have been made in connection with the Bias Bay scandal. The latest arrests include Chun Kuo-sen and Chen Chao-chung, staff officers of the anti-piracy forces at Bias Bay. The scandal in question centres around the alleged assistance given by Gen. Tsai Teng-hui to the pirates whom it was his duty to suppress. Gen. Teng and his chief of staff were summarily executed here a few days ago.—Reuter.

Loyal to Nanking

Chengtu, June 21.

Full and unwavering allegiance to Gen. Chiang Kai-shek has been pledged by the three Kwangsi leaders, Generals Li Tsung-jen and Pai Chung-hsi, respectively Commander and Deputy Commander of the Kwangsi Provincial Forces, and Gen. Huang Shu-chu, Chairman of the Kwangsi Provincial Government, in recent telegrams to Gen. Wu Chung-hsin, Chairman of the Kweichow Provincial Government, denying the rumours that the Southwest is planning military action against Nanking. —Chekiai Agency.

Further Reorganization

Canton, June 21.

Further changes have been effected in the command of the Cantonese navy, to ensure that there shall be no repetition of the disaffection which has cost the fleet the loss of the Haichi and Haisen. Capt. Fong Nien-tsu, formerly commander of the Haichi, has been appointed commander of the Shaoho, and Li Ching-wen has taken over the direction of the Whampoa Naval Academy.

Although the Cantonese authorities have disclaimed any intention to seek the return of the two vessels, they intend keeping an eye on their future activities. According to an unconfirmed report, the Cantonese authorities are despatching a number of torpedo-boats to Swatow and Swabue. Admiral Kiang Si-yuan, who was commander of the squadron to which the Haichi and Haisen belonged, is still held a prisoner at the headquarters of the Canton Gendarmerie.—Reuter.

Curbing Dollar's Fall

Canton, June 22.

The authorities here have decided to take drastic measures against speculators in an efforts to curb the fall of the Canton dollar. The recent sharp rise in Hongkong dollars against the Canton currency is entirely due to speculative activities, according to an announcement to-day, and the authorities have decided to take all measures to put an end to the abnormal money situation.

It is reported that the managers and owners of several native banks have been summoned to the Provincial Finance Department to give an explanation of their heavy buying of Hongkong dollars. The premium on Hongkong dollars, which yesterday reached 498 per 1,000, the highest level during the past 18 months, receded somewhat to-day.—Reuter

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DISPIRITED REDS KEPT GOING BY FEAR

Threat of Massacre Hounding Them On: Reds Intercepting Radio Messages

FROM OUR OWN CORRESPONDENT

Chengtu, June 16.

The persistent mention of Chu Teh in official reports concerning the anti-Communist campaign in Szechuen suggests that the Red prisoners who, two months ago, vouched that he had been killed in battle must either have been misinformed or deliberately were deceiving the troops who captured them. Chu, one of the "Big Three" of the Chinese Communists, appears to be taking an active part in resisting the attempt of the Government forces to rid Szechuen of the Red menace. The latest official mention of the notorious Communist leader occurs in a report that the southern group of Reds, under his command, have reached Tawe, northeast of Mowkung, in their northward march from Yunnan and Kweichow.—Reuter.

Reds Given Lesson in Modesty

Chengtu, June 19.

A group of Reds numbering about 600, who took refuge in the mountains near Menninghsun recently, hoping to prepare the way for the reception of Communistic preaching and to secure the support of the Lolo tribesmen against the Government troops, had the tables turned on them in an unexpectedly tragi-comic manner. One of the most popular slogans of the Communists is "Down with modesty!" This apparently so outraged the sense of propriety of the Lolos, or perhaps stirred their sense of humour, that they determined to do something about it.

They rounded up all the Reds in the vicinity, disarmed them and stripped them of all their clothing, and then headed the naked mob towards the Government lines, where the Lolos handed over to the Government troops the clothing and equipment of the Communists. As the naked Reds approached the Government troops, followed by the laughing Lolos, Government officers report that the sheer amazement of the soldiers gave way to the highest hilarity at the surprising denouement.

Reds Effect Junction

The vanguards of the two main groups of Communists in Szechuen, those which entered the province in the south from Kweichow and Yunnan under Chu Teh and Mao Tse-tung, and the northern force under Hsu Hsiang-chien, have met near Mowkung, Tawe, and Balanshan. They are thus about 100 miles due west of Chengtu. The main southern force is near Paohsing, while the northerners are between Mowhsien and Lifan.

Now that the Reds have been driven together, the Government leaders believe that the task of rounding them up will be greatly simplified. The town of Balanshan was recovered by the Government troops on June 16.

The rumour that Gen. Chiang Kai-shek is shortly going to Hankow is denied. He intends continuing concentrating all his attention on the anti-Communist campaign.—Reuter.

Driven Out of Paohsing

Chengtu, June 20.

The Reds under Chu Teh and Mao Tse-tung have been ousted from Paohsing, according to despatches received at headquarters to-day, and are stated to be retreating towards the north. The Government troops now are ten li outside the city and are driving the Reds before them.

The Communists in the north also have met with a further setback, for according to captives, the last Reds have been forced out of Mowhsien. Some are hastening to join the main group under Hsu Hsiang-chien, which is still along the road to Lifan, while others are filtering to the south.

Meanwhile, the large town of Pehchwan, northwest of Chusan, has been found gutted by the Communists, who are fleeing towards the north.

Government troops attempting to relieve Weichow find the task difficult, owing to the narrowness of the only road from Wenchwan, which route also is covered by Red trenches and mountains. On the other side of the river, in mountainous terrain, the Reds offered resistance all day on June 17, when the Government forces lost 70 killed and wounded. Aeroplanes will assist the troops as soon as the weather permits.—Reuter.

Yenchang Station Sacked

Peiping, June 21.

The lives of several Catholic missionaries are in danger as a result of the Communist activities in Shensi, according to the Catholic Agency Lumen, which has received a telegram from Yulinhsien stating that the Reds have sacked the mission at Yenchang and taken possession of several towns in the vicinity of Yenanfu, in North Shensi.

Bishop Ibanez and nine other Spanish Franciscans who are taking refuge with him at Yenanfu are in grave danger.—Reuter.

The Szechuen Campaign

Chengtu, June 21.

On June 16, a regiment of Szechuen troops, under Lieut.-Gen. Teng Hsihou, broke through the Red defences and captured Palang Hills, midway between Kwanhsien and Mowkung. According to captured Communists, their main force now is concentrated at Mowkung. From 5,000 to 6,000 others are advancing southward, from Mowhsien, seeking to effect connections with those at Mowkung.

The government forces have retaken Panchiaochang and Tungtuanshan, and the section between Shunchiakow and Peichuen has been cleared of Communists.—Central News.

Fight in June Snowstorm

Chengtu, June 20.

The main force of the Communists in the south of Szechuen are being pursued towards the north from Paohsing along the East River route, up which there is a high steep pass.

Capture of Two Missionaries

Peiping, June 19.

The Communists who ravaged the Tachienlu district recently carried off two foreign Roman Catholic missionaries, according to news reaching Peiping to-day. The captured priests, both Franciscans, are Father E. Perogaro, an Italian and Father Nadal, a Spaniard.—Reuter.

The Tusze tribesmen and the People's Militia have been offered large rewards if they are able to prevent the flight of the Reds through the mountainous region.

The Reds who were defeated in north-east Paohsing, numbering over 2,000 men, are now fleeing to Contienshan. Taking advantage of a snow-storm, the Reds entrenched in the mountains near Shaohopping, east of Balanshan, attacked the Government forces to-day, inflicting a few casualties.

An observation 'plane has brought back the information that the main force of the Reds under Chu Teh and Mao Tse-tung, on their arrival at Tawe, east of Mowkung, were bombed with effect.—Reuter.

Trench Warfare Expected

Chengtu, June 22.

Sharp fighting has been proceeding in the vicinity of Panchiaochang, southwest of Weichow, since the Government troops occupied the city on June 18. While the latter were digging-in, the Reds counter-attacked, captured a number of temples, and caused several casualties. The Communists were, however, ousted on the morning of June 20, with severe losses. Trench warfare is likely in many places now that the Reds have been driven together and compelled to try to prevent being forced into the higher mountain regions.

Scouting 'planes sighted about 2,000 Reds on the road from Tunshang to-day. They were proceeding towards Mowhsien, while from Mowhsien about 3,000, with ponies, were heading towards Weichow. Another party, seen making for Lifeng, were bombed by a squadron of 'planes.—Reuter.

Radio Messages Intercepted

Chengtu, June 22.

The Communists have been intercepting and decoding all wireless messages sent by commanders of the Government forces, according to a Red radio operator taken prisoner.

An official statement, issued to-day, quotes the operator as declaring that most of the Reds are inclined to surrender when they read the leaflets dropped by Government aeroplanes.

The intention of the Communist leaders, he says, is to try to hold the mountains and establish a base in north-western Szechuen if escape is impossible.

The main force of the northern Reds is still between Weichow and Lifan. Tsaikonao and Kwankou, which lie west of Lifan, have been burned by the Reds, and it is feared that many of the lamas belonging to temples in the two towns have been killed.

Meanwhile a considerable movement of Communists continues on roads west of Mowhsien.—Reuter.

SUN CHUAN-FANG NOT INTERESTED

Lacks Aspiration to Head Northern Political Move

Tientsin, June 19.

Gen. Sun Chuan-fang, one-time warlord of the five central China provinces centreing on Shanghai, to-day repudiated the use of his name in handbills and other media of propaganda in connection with an independence movement. His denial of any aspirations to political power was made in the course of an exclusive interview with the United Press.

"I am not interested in such proposals, and would not accept leadership of the movement if it were offered to me," he declared. "I think the movement, moreover, is foredoomed to failure. The use of my name is probably part of a Japanese plot designed to instigate those who are dissatisfied with the Nanking Government into stirring up a revolutionary movement, and then substituting another person as head of a puppet regime. I am interested only in deep Buddhist studies, and in the writing of Buddhist books. I shall not return to politics or wars."

Advice to Western Powers

Referring directly to recent events in North China, Gen. Sun said:—"I would advise the Americans and the British to study Japan, which is the most dangerous country. Eventually her greed will turn toward America. Japan and China are both, however, guilty of the events precipitating the present situation in the North."

In official Chinese circles, Gen. Sun's statement is considered of the greatest importance, because of the fact that he is regarded as the only powerful, sincere, and well-known opponent of the Nanking Government and the Kuomintang in North China who might at present be able to lead a genuine independence movement. Gen. Wu Pei-fu, recently mentioned in connection with a possible independence move, is on the payroll of the Kuomintang, it is pointed out, and Gen. Feng Yu-hsiang, is at present supporting the Kuomintang. Other military chieftains who might ally themselves with an independence campaign are only small fry, Chinese official circles point out. Such leaders might gain power with Japan's support, it is admitted, but they would be unable to gain general support among the Chinese.

Japanese Army's Position

In connection with repeated talk of a possible independence coup, Major-General Kenji Doihara, chief of the Japanese Military Mission in Mukden, told the United Press:—"The Japanese Kwantung Army is not taking any official cognizance of any independence movement. It is difficult to say what the army's position would be if such a movement were established. It would all depend on its policy and its leaders."

Referring to the North China situation in general, Gen. Doihara declared:—"The Hopei province issue virtually is settled. No new demands have been made, nor are any contemplated. Everything looks serene and quiet."—United Press.

Chinese Official Entertains

Tientsin, June 18.

Mr. Tsao Ju-lin, a retired government official and former Minister of Foreign Affairs of the Peking Government under Yuan Shih-kai, was host at a tiffin party given yesterday at his private residence in honour of a group of Chinese and Japanese leaders. Those present included Major-General Doihara, Col. Sakai, Chief-of-Staff of the Japanese forces stationed in North China, Mr. Wang Yi-tang, a retired Government official of the Anfu clique, and Mr. Hu Cheng-chih, publisher of the "Ta Kung Po," the leading vernacular daily of Tientsin.—Central News.

Japanese Hold Sham Fight

Tientsin, June 19.

A three-day sham battle between the marine detachments from the two Japanese gunboats anchored off the Tientsin Japanese Bund started here yesterday in the Japanese Concession.—Central News.

Geneva Chinese Protest

Geneva, June 19.

A declaration strongly protesting against Japan's action in Asia and North China was published yesterday by the Chinese colony at Geneva. The declaration affirms that the Chinese nation will resist Japanese aggression and draws the world's attention to the eventual consequences of this aggression.—Havas.

Canton University's Appeal

Washington, June 21.

A telegram was received here yesterday by the Department of State, from Mr. Chou-Lu, Chancellor of the Sun Yat-sen University in Canton, asking for America's aid against the Japanese "aggression" in North China, and requesting that copies of the cable be sent to all signatories of the Nine Power Pact.—Havas.

NEW BRITISH STAND TOWARDS JAPAN

(Continued from page 502.)

in districts where the Chinese were very poor.

Mr. Nunn evidently thought that, so far as trade in textiles and lighter manufactured articles were concerned, Japan would capture all the business that there was in China, but that we might, with Government support, hold our own in the export to China of all articles known as "heavies" or, in other words, mostly large-scale manufactured goods.

Unless, however, H.M. Government did begin to show a little more interest in China and encouraged those who were endeavouring to maintain British trade, such as it was, he did not see that the outlook for the future was particularly hopeful.

Questions in Commons

London, June 19.

The Sino-Japanese situation in North China was the subject of questions in the House of Commons to-day. Capt. C. Erskine-Bolst, Conservative Member for Blackpool, asked whether, in view of developments in China producing serious repercussions on the peace and security of the world, the Foreign Secretary would consider what steps could be taken in conjunction with other Powers to minimise the constant infraction of treaties which was now occurring in the Far East.

Sir Samuel Hoare replied:—"I am inquiring about the facts, and, until they have definitely been established, I am not in a position to consider anything further."

Mr. Morgan Jones, Labour Member for the Caerphilly division of Glamorgan, inquired whether Britain was keeping in the closest touch with the United States in connection with developments in China.

"Yes, certainly," was the reply of the Foreign Secretary.

In answer to a question by Major Henry Procter, Conservative Member for Accrington, Sir Samuel Hoare said the Government was under no obligation in the matter of Chinese integrity, except in connection with the Covenant of the League of Nations and the Nine-Power Treaty.

Mr. Tom Williams, Labour Member for the Don Valley of Yorkshire, desired to know whether Britain, as a signatory of the Nine-Power Treaty, had an obligation to intervene in the dispute. If Britain had no obligation, he said, what was the value of her signature.

The Foreign Secretary replied that it was necessary for the facts to be established before he was able to deal with more general questions of that kind.

Answering Mr. B. W. Gardner, Labour Member for the Upton division of West Ham, Sir Samuel Hoare said he was unable to state at present whether the Japanese action in North China could be described as involving a breach of the Nine-Power Treaty.—Reuter.

HOPEI POLITICS AFFECT EDUCATIONAL SYSTEM

Peiping, June 16.

The mass examination of senior middle school graduates this year may not take place, owing to the changing situation in North China. With the removal of the Hopei provincial government from Tientsin to Paoting, all the schools under its jurisdiction received circular notices to the effect that the mass examination for this year will not be held as originally arranged.

Reports that definite decisions already have been reached seem premature, as the committee in charge of the mass examination in Peiping are still working as usual, but it is stated that the municipal government has instructed the Bureau of Social Welfare to make a study of the possibility of carrying out the mass examination for this year.—Reuter.

R.A.F. PLANES REACH HONGKONG

Hongkong, June 22.

The two new Singapore III flying-boats, of the 205th squadron of the Royal Air Force, which set out from Singapore at dawn on Thursday, arrived here at two o'clock this afternoon. They alighted in the harbour like a pair of huge silver birds and taxied to their moorings near Kaitack.

They will stay in the Colony for two days to enable Air Commodore S. W. Smith, commander of the Royal Air Force in the Far East, to carry out an inspection of the R.A.F. establishment here. Later, the boats will fly to Manila and return to Singapore, via Labuan.—Reuter.

THE National Government has appointed Mr. Hu Kuang-yung to represent China at the sixth annual International Botony Conference which is to open in Holland in September.

BIAS BAY GANG AIDED BY TSAI TENG-HUI

Leading General, Chief-of-Staff Both Executed

Canton, June 17.

A great sensation was caused here to-day with the execution of Gen. Tsai Teng-hui, commander of the anti-piracy forces in the Bias Bay area, and his Chief-of-Staff, Yang Chi-hsuan. The two officers, who were stated to have been in secret possession of a vast quantity of arms and ammunition, were put to death on orders from the general headquarters of the Kwangtung armies.

Gen. Tsai, who formerly was in command of a division in the Kwangtung Army, is alleged to have given assistance to pirates, with the collusion of the Chief-of-Staff. The two officers both were natives of the Waiyang district, where the gang who pirated the ss. Tungchow landed and escaped.—Reuter.

SIX ARTS FOR STUDY BY MILITARY MEN

Gen. Chiang Kai-shek Defends Profession of Arms

Chengtu, June 18.

The importance of military education was emphasized by Gen. Chiang Kai-shek, in the course of an address at the weekly memorial service here yesterday. Referring to the general aversion towards militarists in recent years, Gen. Chiang said there is nothing intrinsically repugnant in a military man, provided he lives up to the military virtues of wisdom, faithfulness, kindness, righteousness, and propriety. He expressed the hope that the military leaders throughout the country will redouble their efforts for the training and discipline of their troops, in fulfilment of their duty to defend the country and protect the people.

In conclusion, Gen. Chiang referred to the arts of etiquette, music, archery, charioteering, calligraphy, and mathematics, which comprised the general education of China's forefathers. In these six arts, he added, adequate training was provided not only for the mind but also for the body.—Kuo Min.

SHIFTING THE BLAME CONDEMNED

Gen. Chiang Kai-shek Reads Another Lecture

Chengtu, June 21.

"Putting the blame on others and themselves failing to observe discipline has been the biggest blunder committed by the Szechuen commanders in the past. Such practices should be rectified in the future." This was the burden of an order issued yesterday by Gen. Chiang Kai-shek, in which he gave fresh instructions on the bandit-suppression campaign.

Obedience to superior officers and observance of strict discipline being the primary duty of military men, Gen. Chiang advised them to readjust their units under the direction and leadership of General Liu Hsiang.—Kuo Min.

CONTROL YUAN BRANCH IN PEIPING

Peiping, June 22.

A branch of the Control Yuan of the Central Government was opened at No. 3 Fuchien Street, in the western section of the city, yesterday.—Rengo.

Made of the purest materials and under the most sanitary conditions, **Cuticura Soap** is ideal for the daily toilet use of young and old. Delicately medicated and gently emollient, it acts as a protection to the skin and as a preventive of skin troubles.

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JAPAN'S ARMY NEEDS HUGE APPROPRIATION

Additional Y.100,000,000 Required This Year: Bigger Navy Demands

Tokyo, June 21.

Mounting Japanese public interest in the question of harmonizing national defence costs with the state of national finances, to-day took a new spurt forward when the War Ministry's projected demands for the 1936-37 fiscal year became known.

Following a conference with Lt.-Gen. T. Hashimoto, Vice-Minister, and Maj.-Gen. T. Nagata, director of the Military Affairs Bureau of the Ministry, Gen. S. Hayashi, Minister of War, disclosed that his Office proposed to ask for a sum ranging between Y.500,000,000 and Y.600,000,000, which is almost Y.100,000,000 more than this year's appropriation of Y.491,280,000.

While Navy authorities still maintain discreet silence, high officials have stated that the sea arm will not reduce its demands upon the national treasury, but rather increase them, probably in the same proportion as the Army. The Navy this year will spend Y.530,000,000.

Representatives of both services insist that the "emergency period," which Japan entered in 1931, has not yet passed, but that the international situation is becoming increasingly threatening.—Rengo.

Premier Reports to Throne

Tokyo, June 19.

After making his report to the Emperor this morning on the home and foreign situation, the Premier, Admiral K. Okada, told members of the press that identical views existed between the Foreign and War Offices concerning the questions between China and Soviet Russia.

Concerning national defence, the Premier said that the financial expenditure may be heavy, but defence measures safeguarding national security were vitally necessary.

Therefore, added Admiral Okada, the readjustment of finances for national defence was a problem which must be submitted to the National Policy Council.—Reuter.

Pact With Soviet Ineffective

Tokyo, June 23.

Conclusion of a pact of non-aggression between the U.S.S.R. and Japan will not necessarily reduce the demands of the army for huge appropriations.

This will be the tenor of the statement to be made by Gen. Senjuro Hayashi, Minister of War, before the National Policy Council when this advisory body meets on Friday for the third time, a spokesman for the War Office indicated to-day.

Forecasting the vein in which General Hayashi will speak on Friday, the spokesman to-day said that the War Office did not believe that Japan had yet emerged from the state of emergency she was plunged into soon after the Mukden Incident of September 18, 1931.

"It is very dangerous to be lulled into a false sense of security by treaties," he remarked.

"What the country needs most is a study of positive steps designed to cope with the financial situation," he said.—Rengo.

300,000 RED TROOPS ON MANCHU BORDER

No Non-Aggression Talks Opened with Japan

Tokyo, June 19.

A spokesman for the Foreign Office said to-day that Mr. T. Ota, Ambassador at Moscow, has a standing authorization to discuss the Manchoukuo border and other matters with Soviet officials. The instructions were given, however, the spokesman understood, with the understanding that, when the discussion reaches the point of mutual withdrawal of troops from the Manchoukuo border, Mr. Ota is to seek further instructions from the Foreign Office.

Unofficial estimates which have been published in Tokyo report that Soviet border troops stationed in Siberia total about 300,000 men, including a strong air force.

The original proposal of the Foreign Minister, Mr. K. Hirota, for the establishment of a non-fortified zone near the border is said to have strong local support because of the heavy savings which would result to Japan in maintaining her Manchoukuo border military establishments.

The Foreign Office spokesman indicated that the Moscow conversations had not reached actual discussion of a non-aggression pact.

M. Yurenev, the Soviet Ambassador here, believed that Mr. K. Takahashi, the Finance Minister, estimates a large financial saving to both countries if a non-aggression pact is signed.—United Press.

Tokyo Discussions

Tokyo, June 19.

The Soviet Ambassador called on Mr. Takahashi to-day in connection with the Minister's views concerning a pact of non-aggression between Soviet Russia and Japan.

Mr. Takahashi recently advocated before the National Policy Council the necessity for an improvement in the relationship between Russia and Japan.—Reuter.

Mr. Takahashi's Beliefs

Tokyo, June 19.

"Soviet Russia appears to have engaged in replenishing her military forces along the border since the Manchurian Incident, seemingly entertaining doubts as to Japan's attitude," Mr. Takahashi was quoted as having said. "Russia, however, will withdraw her troops from the frontier if we succeed in dispelling her misunderstandings through diplomatic channels and make her feel that it is meaningless for her to maintain border forces any longer," Mr. Takahashi was said to have added.

"It may be difficult, for various reasons, to conclude a Soviet-Japanese non-aggression agreement immediately. Should the present international situation continue, expenses for national defences naturally will increase, ultimately leading to a difficult financial condition. We must, therefore, try to modify this state of affairs gradually by means of diplomatic steps."—Rengo.

SEVERE EARTHQUAKE SHOCK IN JAPAN

Tokyo, June 21.

A severe earthquake shock was felt over a wide area of central Japan at 4.30 this morning, but no damage resulted. The epicentre of the shock was ascertained to be near Mt. Tsukuba, about 60 kilometres north of Tokyo.—Reuter.

NEW VESSELS FOR NIPPON'S NAVY

A Submarine, a Destroyer and "Special Service" Ship

Tokyo, June 20.

Two new warships, a submarine and a destroyer, were launched in Japan to-day, while the keel of a "special service" ship was laid down.

First-class submarine No. 173 was launched at Kawasaki dockyard, Kobe, and the first-class destroyer Murasame at Fujinagata dockyard, Osaka.

The Murasame, the keel of which was laid down on February 1, 1934, has a displacement of 1,368 tons, and a speed of 34 knots. She is armed with five 12-point seven-centimetre guns and eight torpedo tubes and carries two searchlights.

The keel of the special service ship, the Takasaki, sister-craft to the Tsurugisaki, launched recently, was laid down in the naval dockyard at Yokosuka.

The Takasaki is exempt from the terms of the London Naval Treaty.—Reuter.

KOREANS' WHOLESALE SILVER SMUGGLING

200 Arrested in Tientsin with Over $1,000 Each

Tientsin, June 20.

More than 200 Korean silver smugglers from Peiping were arrested at the East Station at midnight by Japanese consular police. They were found to be carrying more than a thousand silver dollars each.

The coins, totalling $250,000, were transported to the Japanese barracks by a motor truck.—Reuter.

CIVIL AVIATION IN JAPAN TO EXPAND

Tokyo, June 20.

Japanese aeroplane manufacturers were to-day embarking upon an intensive programme to advance civil commercial aviation.

Mitsubishi interests purchased two British Airspeed passenger planes which will be delivered in July. The firm expects to obtain the rights to produce them domestically.

The Nakajima Aircraft Works has purchased several large Douglas planes and will also attempt to get construction rights.

British planes will be used on the Japan-Manchoukuo service.—United Press.

PROBLEMS OF FOOD SUPPLY IN CHINA

A Movement Gradually to Eliminate All Imports

Nanking, June 18.

The wide-spread agitation for the imposition of a ban on the import of Siamese rice, as a retaliatory measure against the alleged ill-treatment of Chinese in Siam by the Siamese Government, has directed the attention of the Ministry of Industries to the problem of how to make China self-sufficient in food supplies.

According to Mr. Chen Kung-po, Minister of Industries, the amount of foodstuff imports during the past three years has been alarming. In 1932, such imports were valued at $196,520,249, which was over 12 per cent. of the total of all imports during the year. In 1933, despite a good harvest, there was a sharp increase in foodstuff imports, the total value being $266,670,800, which was over 19 per cent. of the total of all imports. In 1934 there was a decrease in the import of foodstuffs, but it was still as much as $104,628,961, which was over 10 per cent. of the value of all imports.

A Ridiculous Position

"It is ridiculous that China, being primarily an agricultural country, should fail to produce enough foodstuffs for her own use and have to take in a large quantity yearly from abroad," Mr. Chen stated. "It is even more ridiculous that, while large tracts of land are lying idle, there should be a continuous increase of the unemployed." According to estimates, about 27 per cent. of the total area of China is arable land, of which only about 13 per cent. is cultivated, Mr. Chen asserted.

The Ministry of Industries recently approached a number of food experts for their opinions concerning the problem of making China self-sufficient in food supplies. Mr. Chao Lien-fang mapped out a scheme for the increase and improvement in the production of rice, which forms the chief food of the Chinese people. According to his scheme, a National Rice-Planting Improvement Commission should be organized jointly by the National Economic Council, the National Defence Planning Commission, and the Central Agricultural Station. Under the direct supervision of the Commission, there should be a rice-planting experimental station, and similar stations should be established in various provinces.

Scientific Methods

Meanwhile, modern scientific methods should be applied in the improvement of production, prevention of harmful insects, manufacture of manure, betterment of irrigation, etc. The farmers should be trained in these new ways of production and efficient measures for the transportation and distribution of the products should be instituted.

A scheme for improvement in the production of wheat also has been worked out by Mr. Shen Chung-han, whose project calls for the use of scientific methods for production, improvement of communication facilities, reduction of transportation rates and inland tax, and prohibition of moistening or mixing the product with other substances.

While expressing gratification over the projects advanced by these experts, Mr. Chen himself made two suggestions. First, all rice dealers should be instructed by the Government to reduce the import of rice by at lease 10 per cent. each year, and substitute the reduced amount by native rice. In this manner, in a period of 10 years, it would not be necessary to import rice from abroad. Second, all flour mills should be similarly instructed as to imported wheat.—Central News.

CHINA TO CONFER M. A. DEGREES

Nanking, June 19.

Regulations governing the conferring of Master Degrees on graduates in China are to be put in force from June, 1937. The qualifications of candidates for the degrees of Master of Arts or Science will be:—

(1)—Those who already have obtained the B.A. or B.S. degree, or whose degrees are equivalent to B.A. or B.S.

(2)—Those who have completed two years of advanced studies at a graduate school recognized by the Ministry of Education.

(3)—Those whose thesis on their major studies has been accepted by the institutions of learning under which they studied.

The regulations call for a thesis and examination on academic subjects, which will be held at the end of the last term of the academic year. The thesis will be counted as 60 per cent. and the examination on general academic subjects 40 per cent.—Central News.

OIL FIRMS QUITTING MANCHURIA

Texaco Offices Close: Others to Follow

Mukden, June 19.

The feud between the Manchoukuo Government and foreign oil firms operating here took a new turn yesterday, when the entire staff of the local branch of the Texas Oil Co. left for Dairen.

Hurried preparations are reportedly being made by the offices here of the Asiatic Petroleum Co. and the Standard-Vacuum Oil Co. to follow the example set by the American firm.

Meanwhile, according to a dispatch from Yingkow, 1,200,000 gallons of oil have been removed abroad by the Asiatic Petroleum Co.'s office there. Additional quantities of oil are to be taken out of the country with the arrival in Yingkow of another of company's tankers.

Refusal of the foreign oil concerns to comply with the provisions of the Manchoukuo Petroleum Industry Control Law is given by government officials as the reason for the actions of the American and British firms.—Rengo.

ENVOY PRESENTS CREDENTIALS

Gen. Chiang Tso-ping Greeted by Japanese Emperor

Tokyo, June 20.

Gen. Chiang Tso-ping, first Chinese Ambassador to Japan, presented his credentials to Emperor Hirohito this morning.

Accompanied by nine staff members of the Embassy, Gen. Chiang rode to the Chiyoda Palace in a state coach, mounted Imperial Guards escorting the carriage.

His Majesty received in audience Gen. Chiang, who presented his credentials. The Emperor handed them to Mr. K. Hirota, Foreign Minister, who attended the ceremony, and then exchanged greetings with the Chinese envoy.

Later, Gen. Chiang's staff members were granted an audience.

Gen. and Mrs. Chiang were the guests of Their Majesties at a luncheon held in the Homeiden Hall at noon.—Rengo.

TOKYO ENTERS SHIP FEUD WITH N.E.I.

Joint Japanese Firm Will Control Traffic

Tokyo, June 22.

The Government to-day entered the feud between the Japanese and Netherlands shipping concerns by initiating steps for the formation of a new joint firm to control all traffic to the Netherlands East Indies.

Representatives of the Nippon Yusen Kaisha, Osaka Shosen Kaisha, Nanyo Yusen Kaisha and the Ishihara Industrial Co. were to-day summoned by the Ministry of Communications and advised to organize a new joint enterprise.

All of these concerns, with the exception of the N.Y.K. are at present operating lines to the Netherlands' islands, while the latter is planning to inaugurate a service shortly.

Y.10,000,000 Capital

Each of the four companies, it is learned from authoritative sources, have agreed to subscribe to the Y.10,000,000 capital of the new concern, in addition to contributing equipment.

All details will be worked out by a committee comprising one representative each from the four companies, who will have the collaboration of Mr. H. Ohashi, Vice-Minister of Communications, and Mr. E. Osano, Director of the Bureau of Shipping of the Communications Ministry, the latter being prominently mentioned in shipping circles as he probable head of the new firm, which will take over all services to the N.E.I. at present being operated by the four concerns.—Rengo.

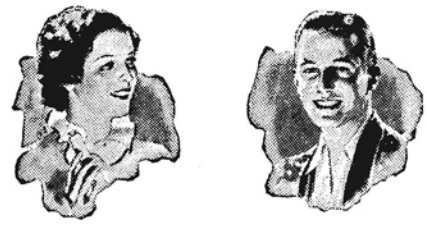
ANCIENT GLAZED POTTERY FOUND IN JEHOL

Tokyo, June 22.

Archæologists to-day hailed the reported discovery, in old graves in Chifeng district, Jehol, of glazed earthenware by a Japanese expedition, if confirmed, the discovery will not only be a valuable contribution to the study of early north Manchurian civilization, but will also settle the dispute as to whether glazing was known to the Liao and Chin Dynasties, 1,000-1,200 A.D. The only similar objects were found in Kansu province more than ten years ago.—Rengo.

That Film on Teeth!

The source of many tooth troubles



Why Teeth Discolor and Decay

THE trouble lies in the slimy, ever-present film which you can feel with your tongue.

That film is where the stains lodge, dimming the beauty of your teeth. That film is what combines with other substances to harden into tartar.

That film is what holds food particles. There they shortly decay and form acid. This acid, authorities believe, is the chief cause of tooth decay.

Therefore, the great need is a tooth paste to remove that film—and Pepsodent has supplied it. Pepsodent is called the special film-removing tooth paste. When you use it, you will know the reason.

Pepsodent's effectiveness in removing film is due to a special cleansing and polishing material. Its object is to remove film—safely, thoroughly. Some cleansing materials remove film but scratch enamel. Others are safe but too soft to be effective. So to be sure that you are removing film safely and effectively, use Pepsodent—the special film-removing tooth paste.

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WATER CONSERVANCY PROJECTS REVIEWED

Concentration of Authority in Five Commissions Gives Improved Efficiency

Nanking, June 23.

The National Economic Council has issued the following statements:

As part of a national programme for flood and drought prevention, a number of reforms have been made in the water conservancy administration.

Water conservancy in China is in the first instance administered by regional commissions and other *ad hoc* bodies. Some have hitherto been subordinate to the Central Government, others to the provincial authorities. Moreover those responsible to the Central Government were responsible to no single organ. Thus the Ministry of the Interior had control of institutions carrying on river surveying and flood prevention; matters of farm irrigation came under the Ministry of Industries; the Ministry of Communications had charge of the conservancy of navigable channels, and the Ministry of Navy of surveying of navigation routes.

Such a distribution of functions did not make for efficiency, and confusion and the shifting of responsibility from one organ to another were the inevitable results. For while, in a country as large as China, it is desirable that conservancy administration should to some extent be entrusted to local bodies, there should be a central body which supervises them and coordinates their activities. No small part of the ineffectiveness in conservancy matters has been due to the administration of rivers by three or four different commissions, which were unwilling to co-operate, which disputed one another's functions, and over which there was no common authority to compel united action.

Scattered Finances

Financial arrangements were also unsatisfactory. Some of the commissions drew their incomes from the Customs, from river dues, or from the Boxer Indemnity Funds. Others were almost without resources; and there was no organ to which they could appeal for assistance in carrying out urgent projects.

That this state of affairs needed reform, had long been recognized. And when, last summer, the Central Government decided, in its programme of reconstruction, to spend a much increased sum on conservancy matters, reform could no longer be delayed. Therefore on July 14, at its 394th meeting, the Central Political Council decided to unify the water conservancy administration of the country, and the National Economic Council was designated as the central organ.

To place all major conservancy institutions under the National Economic Council was the necessary first step to reform; but until the commissions themselves were reorganized, and their responsibilities clearly demarcated, the task of the N.E.C. was an impossible one. The National Economic Council, entering on its new functions, therefore submitted a plan by which its control could be made a reality. The plan amounted to rationalizing the local conservancy administration, the method being firstly to abolish all redundant institutions, and in the second place to merge a number of small organizations into a few larger ones. In February the Central Political Council sanctioned the scheme, and by April 16 the reorganization had been completed.

Five Commissions

Its effect was to place the greater part of conservancy administration in China in the hands of five large commissions. These were the Kwangtung Conservancy Board, the North China River Commission, the Yellow River Commission, the Hwai River Commission, and the Yangtze River Commission. New regulations given to these commissions required them to submit all their projects, and their schemes of expenditure, for the approval of the National Economic Council. Provincial and *hsien* organizations interested in water conservancy having by another law been placed under the control of the N.E.C., the centralization had proceeded as far as was desirable.

In the meanwhile, to equip iself for its new functions, the National Economic Council had made certain changes in its own organization. The staff of its Bureau of Hydraulic Engineering was enlarged; and, for deciding on the general lines of water conservancy policy, a committee was set up including high government officials and representatives of the different parties interested.

The National Economic Council will dispose of substantial funds, which it will use for the most part as grants-in-aid to these projects of the river commissions and provincial authorities which it considers most urgent and most profitable. On these principles, a programme has been drawn up for the current year. It falls into four parts.

The first part has to do with rural rehabilitation, especially irrigation in the arid north-west. The following projects are either under execution or have been already completed:—

Projects in Hand

(1). Repair and completion of the Weipai Irrigation System in Shensi.

(2). Construction of the Loho Irrigation System, Shensi.

(3). Construction of a series of smaller irrigation systems in Kansu and Ninghsia.

(4). Construction of the irrigation experimental station of Tsui Shing Ku, Hopei.

(5). Construction of a "grass dam" in the outlet of the Hungtze Lake near Chiangpa. The purpose is to keep the level of the lake high enough for irrigation purposes. (Kiangsu and Anhwei).

(6). Construction of regulated overflows in the canal from the Hungtze Lake to the sea, near Yang Chwang and Chow Men, for supply of irrigation water to middle Kiangsu.

The second part deals with flood prevention, and especially, in view of the recent flood menace, with the age-old problems of the Yellow River. A flood, which might have involved a huge area, was prevented in April by emergency work on the Kwantai dyke, made possible by the financial and technical support given by the N.E.C. Subsidies were given to the dyke bureaux in Honan, Shantung, and Hopei, through which provinces the Yellow River passes; the Golden Dyke (Chin Ti), which is the key to the protection of north China, is being thoroughly repaired; and a number of dykes are being constructed in Shantung in the river estuary.

Besides the work on the Yellow River, a number of flood prevention operations are under execution on the Yangtze, on the Han River in Hupeh, and on the Yung Ting Ho and the Lung Feng Ho in Hopei.

Inland Navigation

The third part of the programme is concerned with inland navigation. Steps are being taken to repair the canal system, which formerly played such an important part in the economic life of the country and which still, where usable, provides the cheapest means of transportation. The following work is in execution:—

(1). Improvement of the Soochow Creek. Operations include the dredging of several sections; making a deeper route through the Tai Hu Lake; and constructing shorter channels near Yu Chi Teng.

(2). Improvement of the navigation route from Tsinan (Shantung) to the sea, by dredging and by the building of ship locks in the Hsiao Ching Ho.

(3). An operation to connect navigation between the Yellow River and the Grand Canal.

Finally, there is a programme for surveying, inspection and research. The work of the different commissions is being co-ordinated, and under instruction of the N.E.C. new investigations will be undertaken. The programme includes:

(1). The organization of five hydrological survey groups to be stationed in the north China area, on the Yellow River, Yangtze River, Hwai River, and in Hupeh province.

(2). An increase in the number of hydrological stations throughout the country.

(3). The making of new topographic surveys, special attention being paid to the possibilities of air-surveying. The surveys, during the current year, are being carried out on the middle Yangtze in Hupeh (by air); in the Hotou region in Suiyuan; on the Chang Ho in Hopei; on the upper Yung Ting Ho in Shensi and Charhar; and at the mouth of the Yellow River in Shantung.

(4). The completion of the Hydraulic Laboratory at Nanking. The laboratory, as its first task, will conduct experiments on the regulation of the Yangtze River at Ma Tang and the port of Chinkiang.

(5). Extension of the North China Observatory.

The National Economic Council attaches great importance to this part of its programme. So many are the factors which must be considered in projects of water conservancy, so heavy is the capital investment usually involved, that they should be undertaken only if based on the most ample data. Otherwise they may prove total or partial failures, causing the waste of resources which can ill be spared. The Government recognizes that arrangements for research have not hitherto been adequate. The collection of data by institutions having no contact with one another; the lack of standard instruments and standard methods of calculation; the neglect of important branches of research (especially of the relation between irrigation and different types of soil), are some of the most obvious defects, which the N.E.C. plans to remedy during the current year.—Kuo Min.

LIKE A SEAT IN HEAVEN

Beauties of Early Summer in Chekiang

FROM OUR OWN CORRESPONDENT

Hangchow, Chê., June 19.

Crossing a ferry in south west Chêkiang, the eye caught one of those felicitious phrases, so famous in the Chinese language, which lends itself to unique expression in the realms of literary lore. Boldly written on a strip of red paper, and neatly pasted over the door of the fisherman's cabin, ran the words: "Now, isn't it just like taking a seat in heaven?" In this beautiful province, no matter in what direction the traveller bends his step, involuntary exclamations will rise to his lips: "Wonderful," "Magnificient". Especially at this time of the year, when late spring blends with the summer, there is a perfection and freshness in nature never attained at any other period. Honeysuckle and wild rose abound. And what a joy to behold the leaf shadowing woods revealing the glorious architecture of the trees. The characteristics are known by their form and foliage and the elm, mulberry and pine abound. The ornamental willow with its beautiful pendent twigs is the last word in gracefulness, especially when the spray of its leaves are illumined by the brilliance of the sun. The majestic camphors are being greatly reduced in number, and the same may be said of the dignified Cypress—a classic tree, planted chiefly round temples and tombs.

Visitors who patronize the Hang-Kiang Railway, for a trip, will surely be well rewarded. For the most part, the route crosses well watered plains and through a panorama of sun swept hills. Farmers are now busy planting the new rice and the paddy fields, set out in squares, give the appearance of a giant chess board. There is a wonderful charm about the villages of the countryside which possess a dignity of having grown up naturally from their own environment. And the men and women of the soil! Would it be possible to meet with a more industrious and friendly family? They are up with the lark and, shouldering their hoe, go forth in the early morn and labour until the eve. For the most part, they are illiterate, but they pass with high honours in the university of country life and the mysterious power of nature develops the capacity of knowing, feeling and doing. Some of the best leaders of Chinese history are men who have been called from a rustic life to lead and guide the people.

Progress of the Times

It is remarkable how the country peasant is keeping step with the progress of the times. For one thing, he is becoming travel-minded, and modern transportation gives easy access to the towns, and new horizons open out by means of the wireless. In the remotest quarter, items of foreign news are freely discussed, and the King's Jubilee has aroused deep interest and the London snowstorm, in the month of May, caused quite a flutter of excitement.

Communications in the province have improved beyond all knowledge. Kinhwa is fast becoming a net work of iron lines. In the near future this city of the "The golden flower" will be the Clapham Junction of Chêkiang. The trains run with minute precision and every convenience is afforded the travelling public. Third class sleepers are well patronized and, in service and courtesy, there is little left to be desired. Nice clean bedding is provided for the night's journey, and for the morning wash, hygienic towels, soaked in paper envelopes, are presented for use. Station "Buffet" are making their appearance, up and down the line, and "The railway sandwich" is being advertised, besides "Cheap meals of the best description".

On account of the long continued economic despondency difficulties are thickening on every hand. In business circles there is a restless insecurity, and certain local bank failures charge the atmosphere with threats and bad temper. Sporadic raids of "Red Brigands" continues apace, while kidnapping the rich and holding for ransom is increasing at an alarming pace. Up and down certain areas of the province a virulent type of fever has broken out, akin to typhus, and the jails are infected with a kind of plague. There is a tumult of waters in the heavens and these days heavy rain has come to gladden the farmer's heart. The weather is in striking contrast to this time last year when there was terrific heat and thunderous days whitout rain.

DRUG TRAFFIC IN TSANGCHOW

Disquieting Facts Revealed of Trade

FROM OUR OWN CORRESPONDENT

Tsangchow, Hopei, June 18.

After innumerable delays and false alarms most of the Tsangchow contingent of special police, recruited for service in the neutral area between Tongshan and Shanhaikuan, left us last month. Only a few hundred remain to reinforce the local guardians of the peace and to check possible designs of bandits, emboldened by the withdrawal of so large a body of well-disciplined men. These "specials" have been in residence for nearly two years and have achieved a well-earned reputation for hard work and orderly conduct. Their new job is by no means an enviable one in the present disturbed state of the country this side of the Great Wall and recent reports indicate that some of them have already been in action against the numerous lawless bands, which make that area their happy hunting ground.

In obedience to orders from the Provincial authorities, Tsangchow has recently established a refuge for the compulsory treatment of drug addicts, of whom there are still many in the city, suburbs and outlying market centres. The magistrate has issued orders that, beginning from next month, each of the six *th'ü*, into which this *hsien* is divided, must send in monthly ten addicts to undergo the cure, which will occupy three weeks.

There are two classes of patients, charged $15 or $8, according to their ability to pay, while others may be admitted free. If they relapse on their return home, the penalty its supposed to be death, but from personal observation and inquiries in other *hsien* cities of this region, the officials seem either unable or unwilling to inflict the supreme punishment. There is as yet no public opinion to support them in their efforts to strangle the drug traffic by dealing drastically with those who assist victims' of the craving to procure their supplies.

Officials Who Indulge

If the truth be known, the proportion of officials of all grades in the North, who secretly and, in some cases, openly indulge in opium, morphia and heroin, is alarmingly large and there would appear to be little enthusiasm to further the praiseworthy efforts of Gen. Chiang Kai-shek to eliminate the evil.

It is depressing in the extreme to meet with public men, who are obviously slaves to the drug habit and, therefore, incapable of any sincere effort to stamp out a vice, which is sapping the foundations of society. One leading official, known to the writer, is in despair over the almost insuperable difficulties he encounters in dealing with the problem. He cannot trust his subordinates to carry out his orders and there appears to be a league of passive resisters, determined to thwart all his efforts.

In this particular city letter boxes have been placed on the principal streets and the people urged to supply the chief official with information that will lead to the arrest of offenders. In spite of the assurance that no notice will be taken of anonymous charges, few are willing to sign their names to accusations, so engrained are the Chinese determination to live and let live and the fear of being involved in any kind of trouble.

Venality of the Police

The police are venal almost to a man and it is practically impossible to conduct a raid in any suspected quarter without due warning being given to the persons involved. Conditions are worse in the market centres where the scale of pay drawn by minor officials is so meagre that even a trifling bribe is sufficient to procure immunity from arrest by those who peddle the dope to regular customers. No real progress can be made until officialdom is purged of addicts from top to bottom with absolute equality of treatment, irrespective of rank or influence.

Anyone who mixes freely with the people these days easily discovers a number of very disquieting facts in regard to the volume of illicit trade in noxious drugs, their place of origin and method of distribution by clever and unscrupulous agents. It is not surprising to learn that many of the militarists are deeply implicated in this horrible traffic, caring for nothing except their own selfish gain.

New Experimental Farm

Under the auspices of the Board of Industries, a new experimental farm for the development of cotton has this spring been started in Tsangchow about a mile from the city to the west of the Grand Canal. The headquarters of this enterprise are in Chêngtingfu, where a considerable area is under cultivation. Here they have begun with a modest thirty mow. Commodious premises have been erected, including a lecture hall and accommodation for thirty students, who are now in residence.

These men have been chosen from a large number of candidates in a competitive examination and hail from seven or eight *hsien* in this district. They are all certificated Normal School teachers of several years' standing and some of them are nearly forty years of age. The course lasts one year and all of them have been promised teaching posts on the completion of this specialized training. They receive five dollars each per month, which more than covers their board. In addition to cotton, selected fruit trees and vegetables have been planted and we shall watch the results with much interest.

THE RETREAT FROM HOPEI

Hundred Ten Troop Trains Pass in a Day

FROM OUR OWN CORRESPONDENT

Kweiteh, Ho., June 18.

During the last few days the Chinese troops evacuating Hopei province have been passing along the Lung-Hai railway to Chengchow, Sianfu and intermediate points. In 24 hours over 110 troop trains passed through here to the west. These trains were made up of various lines, some Lung Hai, some Tsin-Pu and some Ping-Han. Their passage was orderly, the local station officials being only asked to supply them with water.

The wheat harvest in this district is generally estimated to be about a sixty per cent. crop. It is all in now. On Saturday, June 15, rain fell all day, cooling the temperature and soaking the ground seven to eight inches deep, a truly satisfying rain. Since then the countryside has taken on a different appearance, all growing crops taking on a healthy green colour.

Should it rain heavily this summer eastern Honan will benefit by the forethought and energy of it's Chuan Yuan. In March he issued an order that the three rivers, which drain eastern Honan, but which ordinarily are dry beds, should be deepened and widened. These beds have not been cleaned out for over 100 years, and hence readily overflowed their banks during heavy rains. The work was all done by local labour, not one cent coming from the provincial government or from Nanking. Each home either had to send men to do so many days work or send so much money. March 15 was the day set for the work to begin, and on that day several thousand men carrying their own tools set to work on these three rivers. There are two near Kweiteh, one passing to the north of the city and the other to the south. The one to the north of the city is close to the military barracks. A large section of this river was widened by the troops of the No. 5 New Division infantry. This work was completed in about 1½ months, there being being about 1,000,000 days' work involved on the three rivers. Should we have flood rains this year flood conditions should be greatly alleviated by this important piece of work carried out by local labour, local funds and Chinese leadership.

Fast Trains Held Up

There are no troops stationed here now. The No. 5 New Division, infantry, was here for about three months but was moved to Hsuchow, Kiangsu, a week ago.

Owing to the heavy troop movements along the Lung-Hai Reilway the movement of freight is inconvenienced. The daily express train continues to run on time but the daily "fast" trains are running behind time. To-day there is even some doubt whether the "fast" train will go through to the east.

The motor roads in eastern Honan are as usual cut up by the heavy cart tracks, but nevertheless remain passable. Spare leaf springs must be kept on hand. It is interesting to note that modern stream-lined cars on dusty roads have a tendency to draw the dust into the car, the occupants becoming covered with dust, while passengers in the conventional type of car remain comparatively free of dust.

With the growth of kaoliang and the annual increase in banditry when the kaoliang is high, the Chuan Yuan of eastern Honan has ordered that no kaoliang be grown within 200 ft. of main road. Orders were issued before kaoliang was planted but many farmers took no notice, and planted their kaoliang. Now all plants of kaoliang within 200 ft. of the main roads are being uprooted.

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THE EXODUS FROM MANCHOUKUO

Soviet Citizens Slowly Return to U.S.S.R.

BY F. H. BERT

Harbin, June 6.

Those who read the Russian emigrant press of Harbin are fed with constant string of statements regarding Soviet Russia, which are in many cases quite absurd, and lately articles have appeared stating that Soviet citizens are being compelled by the Soviet Consul General to return to the U.S.S.R. whether they like it or not.

All these statements are contrary to the actual facts, and in the first place it must be remembered that the agreement signed at Tokyo regarding the sale of the railway distinctly states in one of its paragraphs that all Soviet railway servants must leave Manchuria within a certain time, but in no case does this mean that they shall be compelled to do so by the Soviet authorities who, on the contrary, are not forcing any person to return to Russia if he does not want to do so.

The total number of the Soviet railway servants at the time when the Tokyo agreement was signed was somewhere between 6,500 and 7,000, but this figure is for actual servants only, and does not include their families, therefore the fact that eighteen train loads of Soviet citizens have already left Harbin and that these trains have carried away about 3,000 persons, does not necessarily mean only railway servants. As an instance, today's train carried 168 Soviet citizens, but these are the families of 41 railway servants consequently on the deduction that the average family of the railway servant consists of four persons, it may be assumed that not more than 800 servants have yet left Harbin.

Emigrants Going Back

The Soviet Consulate at the present moment is besieged from early morning to late at night by those who are returning to Russia, and not only those who are Soviet citizens and railway servants, but hundreds of emigrants who do not see the chance of making their living in this country, and are, therefore, begging to go back to their own native land.

The cumbersome application forms which had to be filled in formerly, giving all sorts of particulars regarding the family of the applicant, their political views, etc., have been superseded by application forms which simply ask for the full name, etc., of the individual who desires to go to Soviet Russia with his family.

It is perfectly true that officers of the Tzar's army who ten years ago would on no account have been allowed to re-enter Russia owing to their having taken up arms against the Soviet, are now freely admitted, provided that they have not been engaged in any active work against the Soviet régime during the past ten years of their residence in Manchuria.

The figures regarding the number of Soviet citizens and Russian emigrants in Harbin and along the railway line cannot be taken as fairly reliable, as owing to a Soviet citizen having to pay the Manchoukuo authorities double the fee for his passport that a Russian emigrant has to, there are many Soviet citizens who notwithstanding the fact that they are registered at the Soviet Consulate, have taken out police residential certificates, calling themselves emigrants, when actually they are citizens of the U.S.S.R. Such people are now most anxious to secure permission to enter Soviet Russia, as in many cases they have children who reside in Harbin on a Soviet passport, or in some cases the husband has a Soviet passport, while the wife is entered at the police station as an emigrant.

To Train Abroad

Such complications as these make it very difficult to ascertain what is the correct number of Soviet citizens now resident in Harbin, and what is the number of the real emigrants who do not possess a Soviet passport. Soviet citizens, and particularly the younger ones, who are anxious to go to Peiping to study Chinese, or who desire to go to England and America to study specialities, are given full permission to do so by the Soviet Consulate, it being understood that they shall have no difficulty in returning to the U.S.S.R. when they so desire. Naturally, such young people who have funds, owing to their having served on the railway in Harbin, can educate themselves in foreign countries at their own expense, and as Soviet Russia is always on the look-out for clever technical men, they will be welcomed, as soon as they conclude their education.

The principal difficulty at the present moment in sending away Soviet railway servants is that rolling stock of the Railway administration is hardly sufficient to carry the number of people that are returning to Russia, and in consequence of this they have to put up with the roughest freight cars and suffer great inconveniences, but on crossing the frontier, the trains put at their disposal consist almost entirely of third class passenger cars, and on every train there is a dining car and a recreation car, so that it is no wonder that foreigners who have met the returning railway servants at the frontier, Chita and Irkutsk, state that everyone of them bore happy faces and were evidently pleased with all that they saw. At the rate at which the railway servants are now leaving Harbin, it seems hardly possible for all of them to be out of the country before September, and in any case, as the Soviet authorities are not compelling them to leave, any compulsory measures to be taken will have to emanate from other sources than the Soviet.

RAIN WANTED NEAR KASHING

Fields Too Dry and Hard for Late Rice

FROM OUR OWN CORRESPONDENT

Kashing, Che. June 14.

Long lack of rain makes farmers anxious in the areas south and west of the city. Early rice from seed-beds to open fields need constant pumping from the now shallow canals. Late rice cannot be transplanted because the fields are already too hard and dry. Incoming tides raise the water level along the rivers and canals beyond Shanghai towards Sungkiang and as far as Kashan, so that pumping can be done with buffaloes or motor engines very promptly.

Beyond Kashing, the tide influence if any is almost imperceptible. Consequently, when the canals run low or become dry, the farmers on higher, rice-land levels became desperate for water.

In contrast, along the Grand Canal, which always has some water and in the recently deepened water channels connecting with the Great Lake, crops are promising. The small farmer, back in the country on the irrigation ditches suffers first, most and last. Sub-division of land during successive generations has reduced the holdings of each to such small dimensions that younger sons must go out as wage workers or emigrate.

Debts to city lenders at high interest often change owners into tenants. Water rights or privileges cause fights and law-suits. However, both officials and gentry are now giving more attention to the agricultural population. If farmers thrive, cities prosper and vice versa.

By strenuous efforts, most of the schools have been kept open. Students now preparing for examinations and holidays not far off. Short term summer schools are fewer on account of lack of funds. The shops abound in Chinese made hats, shoes and other summer wear. In conversation, so little is said about happenings in the north, that when pressed for the reason one man said "We are too deeply distressed to talk about it."

Passengers between Hangchow and Soochow save time and money by using the bus line from Kashing to Soochow. Private motor cars are seen more and more frequently.

DIRECT MOTOR ROAD TO NANKING

Link with Shanghai to Be Opened Next Month

Nanking, June 21.

Direct motor traffic between Shanghai and Nanking will be possible some time in July, if not this month, according to a statement showing the progress of highway development in China.

Over 18,920 kilometres of motor roads have been constructed since May, 1932, in the various provinces under the direction of the National Economic Council, and through motor traffic is now possible over 31,000 kilometres of national highways. Up to June 15, this year, loans amounting to $8,470,000 have been advanced by the Council to various provincial governments for highway construction.

When the Council completes its construction programme, through motor traffic will be possible throughout seven provinces. The Shanghai-Nanking, Shanghai-Kwangsi, and Honan-Canton highways will be ready for through motor traffic either this month or the next. The Council is proceeding with highway construction work in Kiangsu, Chekiang, Anhuei, Kiangsi, Hupeh, Hunan, Honan, Fukien, Shensi, Kansu, Szechuen, and Kweichow provinces.—Reuter.

FRANCE SEEKS CHINA TRADE

Paris Minister Growing Impatient

Paris, June 22.

The Chamber of Deputies yesterday passed a bill ratifying the convention signed in Nanking on May 16, 1930, on Franco-Chinese relations in regard to Indo-China and bordering Chinese provinces, as well as the additional agreement concluded on the subject in Nanking on May 4, 1935, between Mr. Wang Ching-wei President of the Executive Yuan and concurrently Foreign Minister and the French Minister to China, M. Wilden.

Addressing the Chamber, M. Louis Rollin, Minister of Colonies, said he was impatient to see the matter settled and stressed the advantages to be obtained by France in accordance with the terms of the convention.

"If we grant China a minimum customs tariff and other advantages," he said "the Nanking government will grant us privileges as regards the possibility of directing toward China our exports of anthracite from Tonkin and rice from Indo-China."

M. Rollin added that France's total exports to China were listed in 1934 at 667,000 tons, while they did not exceed 700,000 tons even during the boom period in 1925 and 1926.—Havas.

SIR FREDERICK MAZE INSPECTS CUSTOMS

Amoy, June 19.

Sir Frederick Maze, Inspector-General of Customs, has arrived in Amoy from Shanghai on an inspection tour of the various Customs Houses in this province. Sir Frederick is leaving for Foochow within a few days.—Central News.

EXTORTIONER PAYS WITH HIS LIFE

Squeeze by Military and Police Inspector

Anking, June 19.

Convicted on a charge of extortion, Cheng Chi-liang, Director of the Anking Military and Police Inspection Bureau, was executed here yesterday morning by order of Gen. Liu Chen-hua, Chairman of the Anhwei Provincial Government. Cheng was tried personally by Gen. Liu and found guilty of the charge.—Chekiai Agency.

$1,300,000 EMBEZZLEMENT ALLEGED IN CANTON

Canton, June 20.

A sensation was caused to-day by the report that the head of the Business Administrative Department of the Canton Air Force had embezzled $1,300,000 belonging to the air force. An investigation is being conducted, while a warrant has been issued for the arrest of the official.—Reuter.

FREE SCHOOLING ASKED FOR KWANGTUNG

Canton, June 19.

The promotion of free education and the establishment of additional schools throughout Kwangtung are advocated in the report of the provincial Commissioner of Education, who suggests that the new institutions should include 80 primary which would offer a one-year course of elementary education.

Despite financial difficulties, the commissioner says, it has been decided to establish five more technical schools. It is anticipated that about 3,000 students will undergo military training during the summer holidays.—Reuter.

SILVER SMUGGLERS TO FACE DEATH

Drastic Decision by Leading Peiping Bankers

Peiping, June 21.

That the death penalty shall be meted out to all those who attempt to smuggle silver from Peiping was the drastic decision made at a meeting of the leading bankers here this morning, summoned by Col. Yuan Liang, the Mayor of Peiping Municipality, to discuss and devise measures for the maintenance of the financial stability in this city. This action was taken in order to prevent the further exodus of the local silver reserve and in consequence of the failure of several native banks here. The meeting was attended by the managing-directors of the Central Bank, the Bank of China, the Bank of Communications, the Kincheng Banking Corporation, the Continental Bank, the China & South Sea Bank, and the Yen Yieh Bank, and the chairman of the Peiping General Chamber of Commerce.

The meeting also decided that a general reserve treasury be organized and that the assets of the various native banks in the city be deposited in the treasury in order to safeguard them against possible emergencies. In case of difficulties, the modern banks shall give them relief in proportion to their deposited assets.—Chekiai Agency.

THIRTY-FIVE COMMUNISTS EXECUTED

Canton, June 21.

Thirty-five Communists, including a number of young women, were executed at Swatow to-day by order of the headquarters of the Kwangtung training division. The prisoners were captured at Nanshan, recently, after a battle.—Reuter.

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TWO PEIPING NATIVE BANKS FAIL

Well-Known Old-Style Houses Forced to Close

Peiping, June 18.

One of the best known old-style Chinese banks in Peiping has failed owing to the tightness of money caused by the present unsettled situation in North China. The Chu Sheng Yuan Bank, situated outside the Chien Men, suspended payment yesterday morning. Its manager is reported to have disappeared.

The liabilities of the Bank are estimated at $500,000. The bank was established in Peiping many years ago and has branches in Tientsin and Shanghai. The Tientsin branch is reported also to have closed.

Creditors of the bank met this morning and decided to petition the Bureau of Social Welfare of the Peiping Municipal Government to appoint a liquidator. Yesterday afternoon, the Peiping Money Guild held an extraordinary meeting to discuss the situation caused by the failure of the Chu Sheng Yuan Bank, and decided that the members of the Guild should co-operate with each other in the present financial crisis.—Reuter.

Another Bank Failure

Peiping, June 20.

Another Chinese bank has failed as a result of the monetary crisis precipitated by the failure of the Chu Sheng Yuan Bank. The Tung Yuan Hsiang Bank, an associated enterprise of the Chu Sheng Yuan Bank, suspended payment yesterday afternoon. Early in the morning there was a run on the Bank, resulting in the withdrawal of deposits amounting to $200,000, and, fearing that the run would continue in the afternoon, the Bank decided to suspend payment.

A spokesman of the Chu Sheng Yuan Bank is quoted in the Chinese press as saying that the assets are more than sufficient to meet the liabilities and that the bank will be reorganized. The creditors of the Bank met this morning and decided to form an association to effect the recovery of their deposits.

The Chu Sheng Yuan Bank was established in the Manchu Dynasty and is one of the best known old-style banks in Peiping. The Tung Yuan Hsiang Bank was established about 10 years ago as a subsidiary of the other bank.—Reuter.

PEIPING BANKS TO CONTROL MONEY

Native Guild Granted Loan of $2,000,000

Peiping, June 23.

Concrete measures were adopted yesterday for the stabilization of the local money market at a joint meeting between representatives of the Peiping Municipal Government, the Peiping City Chamber of Commerce, the Bankers' Association and the Native Bankers' Guild.

It was decided that a loan of $2,000,000 be made by the local Bankers' Association to the Native Bankers' Guild, on the security of $4,000,000 promissory notes which the native banks hold against their debtors.

Following the issue by the Municipal Government of a proclamation prohibiting the circulation of unfounded reports, fourteen persons were arrested yesterday after they attempted to disturb the local financial market by refusing to accept notes of the Agricultural and Industrial Bank of China.—Kuo Min.

BOARD OF COUNCILLORS FOR ACADEMIA SINICA

Nanking, June 21.

A Board of Councillors to take charge of the various branches of research work of the Academia Sinica was elected at a meeting yesterday, under the chairmanship of Mr. Tsai Yuan-pei, founder and director of the Academy. Following is a complete list:—

Physics:—Dr. Li Shu-hua, Dr. Chiang Li-fu, Dr. Yeh Chi-sun. Chemistry:—Dr. Wu Hsien, Dr. Hou Teh-pang, Dr. Chao Cheng-ku. Engineering:—Dr. Li Hsieh, Dr. Ling Hung-hsun, Mr. Tang Ping-yuan. Zoology:—Dr. Ping Chih, Dr. Robert Lim, Dr. Hu Ching-fu. Botany:—Dr. Hsieh Chia-sheng, Dr. Hu Hsien-hsiu, Dr. Chen Huan-yung. Geology:—Dr. V. K. Ting, Dr. Weng Wen-hao, Dr. Chu Chia-hua. Astronomy:—Dr. Chang Yun. Meterology:—Dr. Chang Chi-chun. Psychology:—Dr. Kuo Jen-yuan. Socialogy:—Dr. Wang Shih-chieh, Dr. Franklin Ho, Dr. Chow Keng-sheng. History:—Dr. Hu Shih, Mr. Chen Yuan, Mr. Chen Yen-lo. Philology:—Dr. Chao Yuan-jen. Archaeology:—Dr. Li Chi. Anthropology:—Dr. Wu Ting-liang.

The Academia Sinica was founded in 1928, with the twofold purpose of carrying on scientific research and promoting and co-ordinating research programmes. The Government appropriation for the Academy is $1,200,000 a year.—Central News.

FOUNDATION DAY AT CHEFOO SCHOOLS

A scene on the beach during the celebration of Foundation Day on June 15 at the C.I.M. Schools in Chefoo. Pupils are shown embarking before one of the boat-races which were a feature of the occasion.

CHEFOO SCHOOLS' FOUNDATION DAY

Cricket Match, Tennis Tournament, Special Service, and Boat-Races Features of Observance

Foundation Day is one of the great events of the year in the C.I.M. schools at Chefoo. June 15, 1896 was the date when the foundation stone of the present Boys' School was laid, sixteen years after the inauguration of the schools. This date is celebrated every year by a day and a half of festivities before the scholars settle down to the last lap of their work for the July examinations.

This year there was an unexpected departure from the usual order of events, for the boat-races could not be held on the Thursday afternoon on account of the high sea; the cricket match was therefore put first and was played on that afternoon, and the boat-races took place on the Friday morning at the time usually devoted to the cricket.

The annual match at cricket is between the boys' first eleven and a team of visitors, parents and staff. This year Mr. P. A. Bruce, the headmaster, had a strong eleven and it was not altogether surprising that they won, though the play was so even that it was never a certainty till the very last ball. The first pair were Mr. J. N. Duncan and Mr. Seaman, who gave the Visitors a good start. When some 30 runs were up the boys changed their bowling and began to take wickets quickly. Mr. Houghton and Mr. Bruce stopped a collapse by making a stand that saw the hundred on the board. Mr. Houghton's innings was cut short by a fast ball from Rist, but Mr. Bruce stayed till the end, when he had made 35 out of a total of 133.

An Occasion for Nerves

This was a total which the school might well reach on an ordinary occasion, but it would take some doing on a special day when all the spectators were present to see events. At first they had sudden disaster and lost four wickets before fifty was up. R. Rist, who had opened the innings, was yet to be got rid of, and a stand was made after the fourth wicket which almost turned the scale in the school's favour.

R. Weller went for the bowling and hit hard. His two sixes into the road were greeted with frantic cheers and the school began to have new hopes when he added three fours as well as a few odd singles. The bowlers soon showed, however, that these batsmen were not to lash them with impunity, and Mr. Aldis scattered the stumps of both in succession. Other batsmen followed and added runs before being sent back and M. Griffin really gave promise of giving the school the victory. Loud cheers of delight greeted every run, so that the interest was kept at the highest pitch till the last ball when Mr. Aldis bowled Griffin. Only just in time—five more runs and the school would have won.

Next morning the boating had its turn. Colours were presented by Mrs. Rist before the boats set out for the launch which accompanied the race and towed the boats up to the start. The first race was won by two lengths by the crew that rowed in the "Leander", stroked by Ian Yorkstan. Their style appeared less favourable than that of Whitelaw's crew, but the slightly slower stroke evidently gave them more hold on the water and brought them through.

The girls' race was a very close one. The "Hero", taking the inner course, soon made a lead which they managed to sustain inspite the efforts of "Leander" to creep up. This race was won by Sigrid Jacobsen (stroke), Connie Mann, Dorothy Walker, and Margaret Weller, in a little over four minutes.

The closest race was the third, the Junior Race. In this race the crew that had drawn the inner course steered so close to the other boat that they almost fouled them, and would have been disqualified if they had not happened to be beaten, actually, by the very small margin of about a yard. This was undoubtedly the finest race to watch, whether from the shore or from the launch.

The School's Foundation

The inevitable delays attendant on ferrying from launch to shore yet allowed spectators and crews ample time to be in readiness for the morning service in the Memorial Hall at eleven o'clock. The speaker on this occasion often chooses as his theme the subject of Foundations, yet the subject allows of such diversity of treatment that there is no charge of plagiarism. The speaker this year was Mr. Windsor, one of the old boys of the school. He treated the subject of foundations in rather a new way, enlisting at once the interest of all ages by clever questioning of the smaller children in a manner which disarmed all shyness.

He said that there were four existing Foundation stones to be seen upon the present compound, the one on the corner of the Boys' School, with which this day is connected, and those upon the Memorial Hall and the two new buildings just erected. The first commemorates the "faithfulness of God" in connection with these schools, and the others all claim the "glory of God" as the fundamental motive of the schools. Foundations were essential, and a building with unreliable foundations would be condemned even if it did not collapse, and foundations mean hard work, and work that makes no display and usually misses public recognition. So our lives must often be spent in what may have no glamour and may receive but little public recognition, yet if it is faithfully done upon the surest foundations it will be found worth while. "On Christ the solid Rock I stand" was the subject of a solo by Miss Macnair which immediately followed the address.

In the afternoon the tennis matches were played off. The first game was the final of the tournament. Vaughan Dickson and J. Moore beat Phyllis Bannan and H. Croft by nine games to two. The next two matches were exhibition games between pairs that had been knocked out in the previous rounds of the tournament. Katherine Costerus and J. Whitelaw won a well contested game against Jean Landsborough and R. Rist, and then Dawn King and L. Trickey were defeated rather summarily by M. J. Moore and R. Weller.

Before the matches between Old Girls and Present Girls and Old Boys and Present Boys, there was a presentation of racquest and cups to the winners in the tennis tournament and the boat-races respectively. Mrs. Yorkston kindly presented these. The racquets were won by Vaughan Dickson and J. Moore. The boating cups were won by the crews of Ian Yorkstan and Sigrid Jacobson.

Tennis With Old Girls

The Old Girls' were represented by Mrs. P. A. Bruce and Miss A. Carr. They were opposed, but without much success, by K. Costerus and J. Landsborough. These two put up a good fight but were inferior in service and in strokes. It was the Old Boys' match which was the finest display of tennis that was seen. The two old boys were the Rev. A. F. Lutley and the Rev. G. H. Aldis and they were opposed by J. W. Moore and J. A. Whitelaw. At the beginning of the match these two did not show such good combination as later on, and the two padres both made some fine hard drives which gave a temporary impression that they were going to win like the Old Girls. The boys, however, soon made it clear that this was not to be, and they put up so fine a game that they soon had the advantage and kept it to the end. Mr. Lutley played very steadily all along and very few of even his hardest drives went out, but his partner was less sure on the hard strokes and the treatment of "sitters"; the two boys, not at all alike in style, developed a better understanding so that the Old Boys found it increasingly hard to score off them. Whitelaw was active at the net and Moore was safe as well as vigorous at the base. A well-fought match ended in a victory for the Present by nine games to six.

The only remaining event was the concert, arranged by Mr. H. J. Chalkley. This took place in the Memorial Hall and was enjoyed by all. A comic note was struck at the first by the failure of a staff trio to keep steady in a part song of a mildly humorous nature. The same performers with Mr. Chalkley's help came on later, in a quartet with about the same measure of serious success. There were also a couple of humorous readings. The more serious musical items were included as well. Mrs. Strausser, the talented Chefoo violinist, obliged with three charming violin pieces, and graciously encored the last, one by Schubert. Mrs. E. P. Railton gave a skilful and sympathetic rendering of the first movement of one of the Beethoven piano sonatas, and Miss Dixon sang a solo and a sacred duet with Miss Macnair at the conclusion of the programme. The chairman voiced the sentiments of all when he pronounced the day to have been a great success.

The Cricket Match

Held as part of the Foundation Day celebrations a cricket match between the school eleven and one comprised of visitors resulted in a win for the latter by the close margin of six runs. Details:—

VISITORS

J. N. Duncan, b. Weller	20
R. A. Seaman, l.b.w. Weller	8
J. Yorkston, c. and b. Weller	2
Rev. G. Aldis, st. Whitelaw, b. Griffin	12
L. H. Barnes, b. Rist	2
A. Whitelaw, c. Slichter, b. Trickey	6
E. C. Hagen, c. Croft, b. Yorkston	17
S. Houghton, b. Rist	27
P. A. Bruce, run out	35
J. Barnes, b. Rist	0
A. Rouse, not out	1
Extras	3
Total	133

CHEFOO SCHOOL

R. H. Rist, b. Aldis	38
J. W. Moore, b. L. H. Barnes	1
J. A. Whitelaw, b. L. H. Barnes	11
E. L. Trickey, c. Bruce, b. L. H. Barnes	3
D. Hay, b. Aldis	1
R. H. Weller, b. Aldis	27
H. T. Croft, b. Bruce	16
I. B. Yorkston, c. and b. Bruce	0
H. M. Griffin, b. Aldis	11
R. H. Ledgard, run out	7
J. M. Slichter, not out	7
Extras	7
Total	129

SIR FREDERIC DREYER'S RECOVERY

Weihaiwei, June 22.

A bulletin issued here to-day states that the condition of Admiral Sir Frederic Dreyer, Commander-in-Chief on the China Station, who is suffering from the after-effects of an attack of dysentery, continues satisfactory. No further bulletins are being issued:—Reuter.

KULING SCHOOL DRAMATICS

Pupils' Presentation of "Fotheringay"

FROM OUR OWN CORRESPONDENT

Kuling, June 13.

On Wednesday June 12 the Kuling British School gave a treat to the Kuling community in the shape of a new historical play "Fotheringay" which was produced and arranged by the school staff, and had for its cast the whole of the school, having been written with that end in view.

The plot was based on the famous conspiracy, of which Babington was the head, to assassinate Queen Elizabeth and put Mary Queen of Scots on the throne. While some slight liberty was necessarily taken with the historical facts, the main points regarding the fate of the unhappy Mary were well brought out, especially the uncertainty of mind of Elizabeth. The young actors showed a real insight into their respective parts, and it is invidious to mention any names when all did so well.

The joviality of the scenes in the kitchen at Fotheringay and the guardroom of the Palace went far to offset the terrors of the torture-chamber and the tragic web of circumstance in which Mary was entangled. The ultimate fate of the warden of the castle, who was responsible for her death, kept the audience in suspense until the last moment.

Immediately following the play there was a distribution of prizes. The community turned up in full strength in support of the school, and their constant applause paid worthy tribute to the unusually high standard of acting attained by the performers.

A WIFE'S GRATITUDE TO BRITISH NAVY

Mrs. Nicholl's Donation to Orphans Fund

London, June 21.

An echo of the rescue of Mr. Graeme D. Nicholl, a Shanghai insurance agent, from the hands of Chinese pirates in June last year, is contained in Admiralty Fleet Orders issued to-day. These announce the donation of £50 to the Trafalgar Day Orphan Fund by Mrs. Nicholl, "in recognition of the services rendered by H. M. Navy in rescuing my husband after the piracy of the ss. Shuntien."

Mr. Nicholl, with several other hostages, was rescued with the assistance of H.M.S. Whitshed and a seaplane from H. M. aircraft-carrier Eagle.—Reuter.

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THE SUPREMACY OF TEACHER'S WHISKY WAS RECOGNISED BY OUR GREAT GRAND-FATHERS AND THE EVER INCREASING NUMBER OF ITS PRESENT CONSUMERS TESTIFY TO ITS PRESENT POPULARITY.

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THE EVACUATION OF S. KIANGSI

Indignation of Gen. Yui's Officers

FROM OUR OWN CORRESPONDENT

Canton, June 6.

A lot of the Kwangtung politicos are dissatisfied with the arrangement that divests this province of all concern in the welfare of South Kiangsi. General Yui Han-mow's officers are indignant, and they have brought pressure to bear on him. They would have their commander use his influence with the Generalissimo in order to get a six months' extension of the moving-out date. They would have General Chan Chi-tang make representation to the Central Government; the guerillas are a nucleus from which another Red army may be constructed, and it will take six months finally to dispose of them.

Gossiping tongues are making the general populace slightly uneasy. Will General Chan Chi-tang and General Chiang Kai-shek come to blows over this vexacious question? In all sooth there is going to be no falling-out with the National Government, at any rate not now, and not over this, which General Chan seems to consider a closed case. For all the dissatisfaction of the First Army officers, the Generalissimo has given no intimation that he will change his mind. Already he had told Nanking in clear-cut language that the First Army will begin moving out of Kiangsi right after July 1.

Down here it is widely believed that the Supreme Commander of the Anti-Red Army would not be at all upset were the Chu Teh Reds to leave Szechuen and make Sihong their stamping-ground. Anti-Chiang Kai-shek factions have right along been insisting that the Nanking Generalissimo has as the principal motive in this drive against the Communists the overawing of one and all of the puissant tupans and their henchmen.

These knockers keep retiterating, "I told you so." First it was Fukien over which the Nanking domination was extended; next, in order, were Kiangsi, Hunan, Szechuen, Kweichow and Yunnan.

The village of Shimchia in Sikang was occupied by Chu Teh on June 5, and the race is on to see which of the two opposing armies can first reach Laoting, the capital of Sihong. It may well be that, before the national forces go out from Sihong, Chiang Kai-shek may follow precedent and reconstruct the provincial administrative system.

Student Bluff Fails

The bluff of the students of the graduating class in the Chungshan University's Middle School has been called. Submitting completely, without gaining any concession, the students had to get down on their knees and beg forgiveness.

The seven class officers were expelled, and Chancellor, Chao Lu, would have "fired" every classman had they not gone back to their studies. It was not just to make an example of the seven simply because they happened to be the elected officers of the graduating class, the scholars pleaded, and the Chancellor wavered, and would have taken the seven back. But they were guilty of publishing denunciatory and vilifying statements at the very last, and so the order of expulsion stands.

For three days the classmen were on strike; when Chancellor Chao promised to present their arguments to the Commissioner of Education they relented and went on with their school work. But the Commissioner would not give in a particle, and three days more the young men and women failed to meet their teachers.

Wang Lun-hsu, Commissioner of Education, had given notice that the final examinations this term were to be given by his department, and all students of graduating classes from every school in the city would be obliged to sit for them. These students from the Chungshan University raised all this fuss because in some respects what they study is not the same as what is studied in other schools. For that reason the questions prepared by the Department of Education would not be fair to them.

Cheap Transportation

Passenger transportation in Kwangtung is cheap these days. Chinese boats plying between Canton and Hongkong were losing business to the ss. Lee Hong, and for a while lowest class passengers got their tickets for the small sum of ten cents either way. Since then the Lee Hong has been withdrawn from this run, but cheapest tickets are still down as low as 40 cents. First class tickets have dropped in price from $4 to $2.50. Only the British line alone has failed to reduce its rates.

Improved railway service between Canton and Kowloon had been keeping many travellers off the ships. Faster locomotives, more comfortable coaches, and the putting on of extra through trains, with a resultant improvement in the time schedule, all made railway travel attractive. And now a fight is on between the Canton-Samshui Line and the new steamers that furnish service between this city and Fatshan.

The Fatshan depot is on the outskirts; the steamships dock close to the centre of the city. What is more, these boats take first-class passengers for 30 cents one way, second class passengers for fifteen cents. All ticket holders get free melon seeds and fruit.

The Samshui Railway has contracted on capturing the lost second-class business. The price of these tickets has been reduced to fifteen cents, and by arrangement with a Fatshan bus line the second-class tripper will be conveyed to the railway depot without having to pay an extra fare.

BAD OUTLOOK IN CHEKIANG

Drought Fears Revived by Dry Spell

FROM OUR OWN CORRESPONDENT

Huchow, Che., June 17.

Another dry season! Such is the menace overhanging this strip of country south of the Great Lake. So similar has the weather been to that of last year for the same time that the most direful forebodings are expressed. Everybody is longing, if not praying, for rain.

The Taoists of the city, indeed, have begun a seven-day prayer service where night and day petitions are being offered that the heavens may be opened and the crops be saved. Yesterday they may have thought their prayers were being answered, for the sky became overcast and for an hour or two it rained a little, enough for the refreshment of growing plants, but a mere drop in the ocean of their needs.

The earth is dry, so dry that the prospect for crops is less than a year ago at this time. If present conditions continue, to say nothing of becoming worse, the small farmer can look for nothing but ruin. As it is there is destitution in many a home. In one place it is said that the people are existing on grass roots cooked with a little flour, while in another place people are reported to be trying to keep life within them by eating earth.

Merchants in the towns and villages fear attacks by the destitute for loot. From Sz-an comes the story of people from the hills descending upon a large rice shop and helping themselves. Soldiers summoned, drive off the marauders, killing two. But such summary punishment will not deter others, for it is said that they might as well die by shooting as perish slowly from starvation.

Typhus in a Jail

Typhus fever, which raged through the jails of Huchow not long ago, has lately been reported from Changhsing, a hsien city, twenty miles northwest. An urgent call was sent to the Huchow General Hospital for aid, and was immediately responded to by Dr. Manget, who with two assistants, Dr. Tsau and Miss Glenn, and a car loaded with medicaments proceeded to the city. Over fifty prisoners were found to be ill with the fever.

To an observer the conditions under which the prisoners were obliged to live seemed little less than shocking. The sick were kept in separate rooms, to be sure, but they lay on rough beds, side by side, with scarcely room for one to stand between them. The jail, built over 100 years ago, when proper sanitary arrangements were not considered, a mere collection of low, one-story buildings, was evidently intended for 100 or 150 men. Deprecating the lack of tidiness, the jailor said that with over 300 prisoners it was impossible for him to keep the jail as he would like. He added that there had been times when there had been many more prisoners, at one time as many as 450. The physicians, each clothed from head to foot and including their feet in a one-piece strong garment impenetratable by the tiny carriers of the fever, literally waded in, and disappeared among the waves and billows of the sick. Their task seemed detestable, but their courage and enthusiasm most admirable.

DR. SVEN HEDIN LEAVES RELICS ON SHIP

Tientsin, June 21.

A collection of relics was left aboard the ss. Tamara yesterday by Dr. Sven Hedin, the Swedish explorer.

The property includes fourteen cases of duty paid relics and nineteen cases of Dr. Hedin's personal property. It will all be returned to the explorer as soon as it has been properly catalogued.—United Press.

ANCIENT FESTIVAL AT JUKAO

Dragon Boat Observance Revived

FROM OUR OWN CORRESPONDENT

Jukao, June 5.

While writing this article I hear the clanging of bells and instruments outside, I also hear firecrackers. It is a dragon boat festival and locally one of the days on which all bills have to be paid, one of the days of the year when business people close their shops for half a day, when offerings are made and people look to heaven for rain, and to their ancestors in worship.

For a few days already each family has been buying a species of long leaves and some glutinous rice, for to-day, rice tied up in these leaves is cooked with sugar and eaten. It is to-day's specialty in Jukao as well as probably in other sections of China.

New Dresses for Children

Children also have new dresses today and three coloured pieces of silk with Chinese characters painted on them are seen dangling from the back of their necks. What can this mean? There is superstition among the Chinese that if children wear these pieces of silk they are protected against all kinds of insect life, centipedes, snakes and the like. Besides these three pieces of silk the boys and girls wear little silk bags filled with incense or smelling salts, supposed to be obnoxious to insects. It is also the time when weeds ripening at this time, are carried into the cities in large quantities and after grinding them into powder or wrapping them into coloured papers are burned to ward of mosquitoes. This is an old Chinese Public Health measure and does keep some mosquitoes away but does not exterminate them.

Rain Badly Wanted

The story connected with the observance of the Dragon Boat Festival is very interesting and dates back for over 2,000 years. The local people tell their children the story, as do probably Chinese in all parts of the country that the rice balls are eaten to commemorate Chu Yuan who drowned himself in the third century before Christ in order that by this self sacrifice his own countrymen might turn from evil and do good. In all parts of China gongs and drums make a great din on this day, but the boat races have dropped out of the local observances. The outdoor celebrations are largely limited to walking about in new clothes and in having a big meal at dinner time.

The observance of the day at about the summer solstice is especially this year associated with prayer for rain and unless the rain comes soon and in abundance will mark the beginning of the annual prayer period for rain observed locally now for several years. During the last ten years the country has been much more subject to drought than heretofore. Canals have been so low that steam launches have now for several years had a very unsteady run. At present the corn, cotton and bean crop is threatened for lack of rain.

Malaria and Typhoid

Speaking of using the incense bags suspended from the necks of children as a public health measure against mosquitoes, it must be said that this measure is very old and not until very recently did it seem to have lost its charm. Malaria was very scarce here ten years ago, but now so common that all the country folk know about its symptoms. A revival of the superstition is thought by some to be the remedy against malaria.

Another exceedingly common local disease, and very deadly as well, is typhoid fever. The Jukao section has many tens of cases and the disease is rapidly on the increase. With the old fashioned nightsoil collection system working at top speed, it is to be foreseen, that typhoid fever will be spread especially where nightsoil receptacles of typhoid fever cases are frequently washed in the canals whence water is also drawn in which to wash the family dishes. All drinking water is boiled and raw things, turnips and water chestnuts, are rarely eaten. But these turnips and water chestnuts eaten locally in great quantities are washed in the canals and thus become a dangerous source of infection.

Tuberculosis has been plentiful for many years in the Jukao section. It spares neither rich nor poor, student nor rickshaw coolie. Tuberculosis in its various forms are common. Dr. Hagman of Nantungchow has for years had a great reputation in treating tuberculosis especially of the bones. Another exceedingly common disease is leprosy, a disease kin to tuberculosis in many ways. Leprosy centres about Jukao and a large leper clinic is there maintained averaging over 100 patients.

OBITUARY

Mr. J. N. Behrens

Peiping, June 22.

The death occurred here to-day of Mr. J. N. Behrens, Second Secretary to H. M. Embassy.

Mr, Behrens was the son of a well-known Yorkshire sportsman, whose stable has won more than one classic. He resided in Peiping for three years and was due to return home in the autumn.

He developed leg trouble, recently, which necessitated an operation. This was followed by three blood transfusions and another operation, and he died this afternoon after being unconscious for three days.

Mr. Behrens was a very popular member of the Diplomatic Corps and a keen sportsman. He played a good game of tennis, golf and polo, his stable always being prominently represented at Peiping race meetings.—Reuter.

Peiping, June 22.

Septicaemia was given as the cause of Mr. Behrens death.

Deceased was the son of Major Clive Behrens and a grandson of the first Lord Rothschild.

No arrangements have been made for the funeral pending advises from London indicating the family's wishes. —United Press.

Mr. Laurence Peel

Announcement has been made of the death of Mr. Laurence Peel, Commissioner of the Chinese Maritime Customs. He joined the Imperial Maritime Customs in 1903, and served with distinction in various ports in China. His last appointment was as Commissioner of the Mengtze Customs, at Yunnanfu, which he left on retirement in November, 1933.

Mr. Peel was in poor health during the greater part of the time since his return to England, and he died on May 4, at a nursing home in Clifton, Bristol. He was buried on May 8 at All Saints Church, Clevedon, Somerset. He was the son of the late Col. Frederick Peel, R.E., who was a grandson of Lieut.-General Jonathan Peel, a brother of the famous Minister. Sir Robert Peel.

Mrs. M. Bernsten

Mrs. M. Bernsten, a venerable and esteemed member of the missionary community in North China, died in the German Hospital, Peiping, early on June 18 after a residence in China dating back to the days of the Boxer Rebellion. She was 68 years old. After the death of her husband two years ago Mrs. Bernsten became the head of a small but devoted body of Chinese Christians known as the "One God Assemby," with headquarters at No. 1 Liang Chia Yuan, Ch'ao Yang Men, East City. A few mission stations of the sect are scattered throughout the province with a number of evangelists giving their full time to preaching and teaching the Gospel. The deceased lady is survived by a daughter, Miss Bernsten, now studying in a Bible School in Oakland, California and a son, Mr. Henry Bernsten of Hankow. She and her husband were of Norwegian extraction but came to China from Chicago, Illinois. During the earlier years of their work in this country they were assisted financially by American followers of the Assembly but later all help from abroad ceased and the China Assembly continued as a self-sustaining body.

TRIPS AROUND SOOCHOW

Wheat Crop Good But More Rain Wanted

FROM OUR OWN CORRESPONDENT

Soochow, Ku. June 13.

For the past ten days I have been in much of the territory surrounding Soochow. My first trip carried me to Dzang Zok and indications were fair for a good yield of wheat. Inquiry substantiated this impression, the there was expressed doubt as to what may happen to the rice crop if no rain comes within the next two weeks. With the automobile road nearing completion first and second class boat travel will experience a sharp decline and some of the companies now operating launches will find great difficulty to eke out an existence.

My next trip took me along the railway as far as Quinsan. A rather remarkable condition impressed one as the amount of rice already planted out between We-Ting and Quinsan was observed. Water in the canal is lower at this time than it was for the corresponding period last year. One farmer expressed it as follows; "There is sufficient water for planting, but unless Heaven helps with abundant rain, the rice crop will be very small".

The itinerary to Voo-Jau, Wang Ching and Shatow confirmed rumours of poor cotton crop. The ground has been so dry that only twenty per cent. of the seed germinated. Then insects and lice did their work. The light rains of June 2 brought relief and cultivation has set in with determination.

The recent banking upheavals led to the closing of two banks in Soochow. One window was smashed as a protest against the taking of people's money. One person was heard to remark, "People ought to know better than to trust all one has to a bank anyway". Many are being sobered by similar thoughts.

Butween final examinations, military drill and the usual round of special programmes the schools find themselves pushed for time. Most of the schools in this section are closing around the end of June. From the point of view of a heavy schedule this has been a highly successful year, though one might want a little more in the way of individual initiative.

CHIPPER COMPLETES TEST FLIGHT

Arrives in San Francisco From Honolulu

Alameda, Cal., June 22.

The giant 20-ton Flying Clipper, of Pan-American Airways, completed a successful test in unsettled weather conditions, when she arrived in San Francisco Bay to-day eighteen hours and 59 minutes after leaving Honolulu.

On her outward voyage last Thursday, the Clipper set up a new record of seventeen hours and 58 minutes for the 2,400-mile journey from San Francisco to Honolulu.

The flight just concluded was the second experimental one over this part of the 8,500-mile route between San Francisco and the Far East.—Reuter.

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THE WORK OF NANKING UNIVERSITY

Review of Activities Given During Annual Commencement Exercises

FROM A CORRESPONDENT

Nanking, June 17.

The 25th annual commencement exercises of the University of Nanking were held on June 16 and 17. The baccalaureate service was held on June 16; Dr. T. Y. Lo of the Legislative Yuan, gave the baccalaureate address, speaking out of his own political, educational and religious experience, on the students' responsibility in the present crisis.

The commencement exercises were held to-day in Sage Chapel which was filled with a capacity audience. The faculty, graduates, and guests, in academic costume, marched in procession across the campus and into the chapel. President Y. G. Chen presided. Addresses were given by Chu Wen-chong, secretary to President Lin Sen; Pang Hsieh-pei, Chief of the Division of General Affairs of the Department of Education; and on behalf of the graduating students, by Li Kuan-hua.

Mr. Chu Wen-chong, speaking as a representative of President Lin Sen, said in part: "The fact that the number of the graduates of the College of Agriculture and Forestry is larger than the number of the graduates of the other colleges indicates the urgent need of the nation and the recognition of the University of that need which is the restoration of rural society. The duty of the graduates of the College of Science is to reform the industries of China. The graduates of the College of Arts should try to reorganize the cultural, economic, political, and educational life and system of our country. My earnest hope is that the graduates of the University of Nanking with the adequate preparation of mind and body, which they receive in this University, will render valuable service to China."

The Lesson of Germany

Pang Hsioh-pei, representing Wang Ching-wei, said: "At this time of China's most critical crisis, you graduates will no doubt be troubled and perplexed as to how you can be of service to our country. We should study other nations who have passed through similar crises successfully. Ten years ago Germany was in a most distressing situation, politically, economically, militarily, but now the Germans are doing astonishing work in disentangling their chains. As Hsian Yu has said: 'Learning is a weapon against ten thousand men.' The University has put in your hands this weapon and I hope you will have success in using it against the ten thousand foes of our fatherland."

Lui Cheng, representing the Minister of Education, said that in this time of unprecedented national problems, it was the duty of the Government through the Department of Education to encourage further study by qualified students through the establishment of graduate schools at the national universities in which there would he emphasis upon technical studies. Commencement was not the end of study but really signified the beginning of wider and deeper education. Not all students can continue in graduate study but all students can continue their work with the spirit of devotion and with scientific methods.

President Chen sketched the history of the development of the University since its beginning in 1888, forty seven years ago, and reviewed some of the achievements of the institution during the past year and some of the more important contributions received in its work.

Economic Survey

The University has co-operated with the local and national government in research and in study of measures to meet various economic problems and to further rural reconstruction. The College of Agriculture and Forestry has been conducting a study and survey of the economic resources of the four provinces of Hunan, Hupeh, Anhwei, and Kiangsi, for which the Farmers' Bank of Four Provinces is contributing 100,000 yuan; the Department of Agricultural Economics is completing a three year study and survey of land utilization and population which has extended over twenty one provinces and which includes reports on 53,000 farms, this study having been made possible by financial grants from the Institute of Pacific Relations; a special course for selected students has been given in cotton cooperatives which has been made possible by a grant of 10,000 yuan from the Cotton Commission of the National Economic Council.

Mr. C. F. Strickland, who has had wide experience in co-operatives in India, Africa, Malaya and Palenstine, and Dr. W. M. Stevens, who has been a leader in co-operatives in the United States, both in relation to the government and in various educational institutions, have been of special assistance in this work. Their service has been made posible by a financial grant to the University by the Shanghai Commercial and Savings Bank and by the assistance of the Sino-British Cultural Association. The University has co-operated with the Nanking Municipal Government in the development of a wool weaving project.

Dr. Ferguson's Gift

The College of Science has been producing educational motion pictures and has co-operated with the Eastman Kodak Co. in supplying Chinese titles for the Eastman Educational films. The College of Arts and the College of Science have been receiving grants-in-aid from the National Government totalling 30,000 yuan for the academic year. An annual grant is being received from the Hoover fund for the study of local governments in China. The College of Agriculture and Forestry is co-operating with Kiangsu Province in a study of soils and fertilizers. Substantial gifts have been received by the library from the League of Nations and from Professor H. Clemons, former librarian of the University, and now librarian at the University of Virginia.

A notable contribution received during the year was the donation by Dr. J. C. Ferguson, the first president of the original Nanking University, of his collection of Chinese *objets d'art*. The collection is the most valuable private collection in China and contains specimens not included in any other collection in the world. The alumni are being asked for $40,000 for a building to house the collection at the University. Of this amount, one-third is already in hand.

In research and creative scholarship, members of the faculty have produced more than forty volumes and a total of over 200 articles pamphlets and monographs. Of the committee of the Ministry of Industries which has prepared a report on "Silver and Prices in China" now in press, the chairman and three members are members of the faculty of the University.

Athletic Successes

The equipment of the University and its related schools has been added to by the erection of a new-faculty residence and by the completion of a modern gymnasium for the University Middle School.

In athletics the University Middle School Track Team won the Nanking City championship for the third time in succession, thus gaining permanent possession of the championship cup, and the University football team, by defeating the eleven of the Central Military Institute, won the Nanking City championship and the right to represent the city in the trials for the Olympic games.

At the commencement degrees and diplomas were awarded as follows:

College of Agriculture and Forestry B. S. 42; College of Arts, B. A. 29; College of Science, B. S. 21; Chinese Short Course, 3; Rural Leaders Training School, 47; Senior Middle School, 42; Junior Middle School, 38. The total number of students enrolled in the University of senior and junior college rank, is 765; the total enrollment in the University and its affiliated schools, for the year has been 1716, the largest enrollment in its history.

SALT GABELLE ORDERED TO ECONOMIZE

Drastic Cuts in Expenses Ordered By Finance Ministry

Nanking, June 17.

Strict retrenchment in all departments of the Salt Gabelle throughout the country must be enforced during the 24th fiscal year (July 1, 1935, June 30, 1936), states an order of the Ministry of Finance to the Salt Administration.

All superfluous organs should be abolished, and unnecessary appropriations stopped. It is estimated that $20 millions will be saved annually.—Kuo Min.

CANTON AIR DEFENCE EXHIBITION

Canton, June 21.

With a view to stimulating interest in the development of military aviation, an impressive demonstration of air defence was given here to-day. While aeroplanes flew overhead, dropping pamphlets, more than 100,000 people gathered at the Public Recreation Ground to participate in a parade through the streets of the city.

During the procession an exhibition of the usefulness of a smoke screen was given. This was so effective that street traffic was held up for a considerable time.—Reuter.

TRICKY POLITICS IN CANTON

Will Hu Han-min's Departure Lead to Collapse?

FROM OUR OWN CORRESPONDENT

Canton, June 13.

Quietly yet earnestly the directors of state affairs in the South are pondering the *impasse* occasioned by Ho Ying-ching's refusal to accede in full to the demands of the Japanese military. Only by cessation of hostilities in the civil war can a show of resistance be made, they agree, and unless Soviet Russia, be it openly, or behind the scenes, takes a part, China cannot make a successful stand in the threatened war with Japan. As individuals expressions of opinion have been rendered, collectively there have no formal deliberations.

Advocates of a greater centralization of the powers that are of national concern are grieved that differences with an outside Power should come at this time, since, if the differences cannot be adjusted, the culmination of the centralization project will be retarded. How be it these advocates are not relaxing their efforts to divest the 24 states of those powers which they have been wielding which the National Government rightfully should wield.

Even Chao Lu and Hsiao Fa-chen, loudest declaimers of the unfitness of the Nanking régime to dictate to the provinces have been silenced. With their banner-bearer, Hu Han-min, an absentee, they are voiceless. The consensus of southern official opinion is that the tearing apart of the structure of the Southwest Government should not be by precipitate action. On the other hand all are in accord as to this proposition: the Southwest Government will only execute the laws already passed; there shall be no initiation of legislation by its Political Council. That in itself is a first step in acceding to Nanking's will.

A concrete case has come up as a test of the sincerity of the Canton men of politics. The Southwest Administrative Council was to have been the arbiter in the tea-house waiter-waitress squabble. Whichever way the Council decided, the losing party would surely carry their case up to Nanking, and there is no telling but the National Government would then reverse the judgment of the Council. For that reason the Council has turned the case over to the Commissioner of Internal Affairs and will have nothing more to do with it.

Resignation Expected

Rumours are flying thick and fast with the foundation of the Hu Han-min bloc taken away, must the structure topple over? Will Mayor Liu Chi-wen, Chairman Lin Yun-kai, *et al* of this bloc be shaken loose from their positions, or step aside to save face? Journalists are betting that these two worthies will ultimately if not now fall in health, or will conjure up other suitable reasons for resigning. Commissioner of Reconstruction Hoh Kai-lai is one more whom they put down as a loser in the great game of politics.

The reporters are not looking for a flock of resignations to come in before the autumn. They do believe they will come quickly to the Hu-ites by then, in advance of the convocation of the 5th Party Congress which sits in November, lest thereafter the Nanking Government, with broader powers derived from the Congress, name successors to these followers of the Rightist leader.

The Need for Money

Last week vernacular and foreign journals inaccurately printed all about a big $15,000,000 bond issue for reconstruction purposes. Treasurer Au Feng-po rushed into print to deny the story. In reality Kwantung has her eyes on the Boxer Indemnity Fund as a convenient source for replenishing her construction money chest.

She has made bold to put in a request for a cool $20,000,000. Impatient officials could not wait for a government reply, so obtained expressions of opinions from friends in the Government at the capital by private radiograms. Whatever is forthcoming will not be in a lump sum, but will be given out piecemeal.

Naturally Kwangtung had to make a showing of actual need for this subsidy, and of her intention to spend it wisely. Roughly the estimated expenditures under the second three-year reconstruction plan which will succeed the first three-year plan next January were set out in a report that has been despatched to the Capital. This province is going into the making of chemicals in a big way, and other kinds of industrial projects will also be launched. Rivers will be deepened, and in particular branches running through country regions to facilitate river transport. Having given the public time to recuperate from the heavy exactions made on them before, highway building will again go on apace.

TYPHUS EPIDEMIC IN HARBIN

Thirty Deaths a Day in Foochiatien

FROM OUR OWN CORRESPONDENT

Harbin, June 12.

The outbreak of typhus which commenced in Harbin about four weeks ago is gradually becoming worse, and it is absolutely necessary that strict measures should be taken by the authorities to prevent the further spread of the disease.

The entire population are waiting for the Municipality to take such steps as will make the residents of the town feel that they are safe from infection.

The opinions of the doctors on the question are divided, the well known Dr. E. F. Meibom, who is a specialist in infectious diseases, stating that generally typhus fever commences to weaken on the approach of the summer season, and as warm weather has already set in, there is actually no danger to the population.

On the other hand, there are many doctors who consider that typhus can spread in the summer just as well in the winter, Dr. H. A. Epshtein, who is also known as a specialist, states that he does not consider the approach of summer any guarantee for a fall in the number of cases. He further states that in spite of all expectations and notwithstanding the warm weather, the epidemic of typhus is not only not decreasing, but is actually spreading.

Generally typhus is carried from one person to another by the bites of lice, and as these can as easily bite persons who live in perfectly sanitary conditions, there is no guarantee that even those of good health may not be stricken with this serious disease. This insect usually lives twenty-four days, and during this space of time produces many others, and in the event of it being infected with typhus its progeny are likewise infected, and spread the disease in every direction.

Prophylaxis Necessary

In the opinion of most doctors, the summer weather makes no difference, and it is absolutely necessary to take measures to prevent the further spread of the disease, and specially should all tramcars, buses and vehicles of every kind be disinfected every morning, so that all such insects are killed.

Usually it is four to five days after the bite before any signs of the disease show themselves, and thus it is difficultt for the person who becomes infected to know where he contracted the disease.

Still more attention has been drawn to the epidemic by the fact that during the past week three Russians have died from its effects, two of them being sportsmen who probably became infected when they were out hunting and stopped in some Chinese hut on the other side of the river. Furthermore, the foreign population has been much disturbed by the news that the Czechoslovak Consul, Mr. R. Hejng, and Mr. A. A. Glut, resident inspector of the International Wagons Lits Co. have both been stricken, and are both reported to be in a very serious condition. In the case of the former, the crisis has not yet been reached, and it is hoped that being a very strong man he will be able to recover, but in the case of Mr. Glut, the doctors have great fears, as he is not in good health and though he has not yet reached the crisis, his heart is showing great weakness.

Hopes from Warm Weather

No figures are being published as to what deaths have been registered in the Chinese quarters of the town, namely, Foochiatien, but some of the foreign doctors state that not less than thirty persons a day have died during the past week.

At the present moment there are a number of cases in the Municipal Hospital, amongst which are one Japanese and six Russians, while at the Central Hospital a special ward has been reserved for cases of typhus only.

During the time of cholera in 1932 the authorities took very extensive measures to prevent the spread of the epidemic, disinfecting all vehicles of every kind and spreading various disinfectants on the streets, but at the present time nothing has been done in this line at all, so that a passenger entering a tram car which has been running to and from Foochiatien is liable to be bitten by lice, which have been carried into the car by some infected native.

It is possible that if the Czechoslovak Consul had not contracted the illness, there would not have been so much notice taken of it, but now that residents of some standing and well-known persons are in danger of losing their lives through the sanitary authorities not having taken proper measures, the local papers have taken up the matter and are demanding that something should be done at once.

VATICAN APPOINTS MISSION VICARS

Apostolic Delegates in Kayang and Hsuchow

Vatican City, June 23.

The Congregation of Propaganda yesterday announced the appointment of the Rev. Francis Xavier Ford as apostolic Vicar to the Maryknoll mission in Kaying, Kuangtung, and of the Rev. Philippe Coté as apostolic Vicar to the Jesuit Mission in Hsuchow, Kiangsu.

Father Ford was born in Brooklyn, New York, in 1892 and has been a member since 1912 of the Maryknoll Society of Foreign Missions. Ordained a priest in 1917, he left in 1918 for the missions in South China and has been since 1929 the Apostolic Prefect in Kaying.

Father Coté was born at Lawrence, in the United States, where he has been a member of the Jesuit Society since 1916 and a priest since 1927. He went to China in 1929 and since 1933 has been the Vicar delegated to the apostolic prefecture of Hsuchow.—Havas.

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SHANGHAI NEWS

ANGLO-GERMAN VETERANS AS FRIENDS

Quick Response to Prince of Wales' Appeal: Local British ex-Service Men Entertained

Scenes reminiscent of the lavish hospitality of the famous old days in the splendid German Club on The Bund—never to be forgotten by those who experienced them—and of still earlier days in the German Tent on big racing occasions, were re-enacted last Wednesday evening in the German Garden Club. A no less hospitable place, but unfortunately prejudice, custom, a fanatical keeping open of old wounds, or whatever it may be called, hitherto has prevented willing hosts meeting equally willing guests.

Then came the Prince of Wales with his clarion call in his own appealingly breezy manner. It was high time, said he, that old friends shook hands and became friends again, and, if that were to be done, obviously the lead should come, on both sides, from those who had been given the opportunity to know each other best—those who had been at grips in the front lines during the war. The world knows the answer of the British Legion, and the manner in which it was accepted in Germany.

Germans Take the Lead

In Shanghai, it was the Germans who jumped to take the cue. Fewer in numbers, and so lacking the chances of picking up so many friends as some other nationalities, they must have ached—especially the older ones who remember the olden days—for a renewal of former friendships and the making of new ones, instead of having to be content with more formal recognition. The Zero Club, taking advantage of the visit of the second Emden, and the Royal Air Force Association, with the camaraderie that comes to all flying men, had done something, and the local German veterans of the war no sooner had read the Prince's message than they sprang for their acquaintances in these clubs, and made more formal representations to the President and Committee of the United Services Association. There was no time, and perhaps no real desire, to make a really formal occasion of it, but the Germans just said "Come along and back the Prince."

For a half-hour on Wednesday evening, Avenue Haig was blocked with cars, and thereafter it was difficult to find a German in their own club. They were overwhelmed, and for every one of them there must have been at least twenty Britons—as mixed a crowd as ever was seen in the trenches, for the Germans had invited everyone, without thought of rank. The Brigadier sat by Col. Kriebel, the German Consul-General, the Commandant of the S.V.C. was in a neighbouring seat, Petty Officers and men of the Royal Navy sat with their Officers—and in one particular corner helped them admirably with the singing—and in three big rooms were packed scores and scores of all ranks, with not a face without a smile. The Union Jack, with a photograph of His Majesty superimposed, was in the place of honour, another with the Prince hung adjacent, and round about were German colours, portraits of great German soldiers and the Fuhrer.

Comrade to Comrade

At a signal from Col. Kriebel, an orchestra played the British and then the German national anthem, the Germans giving the Nazi salute to both and singing their own in chorus. It was an impressive observation. Col. Kriebel then, speaking first in English and afterwards in German, said:—

"Comrades, as the oldest German soldier of the Great War here in Shanghai, and in the name of my German fellow-countrymen, I wish to thank you for accepting the invitation to this meeting of world war veterans of both Great Britain and Germany with her allies. We have come together in the spirit of that noble soldier, His Royal Highness the Prince of Wales, and of our German leader, Adolf Hitler.

"Men who fought for their country, who readily offered blood and life for the highest purpose, to-day stretch out their hands to their former foes. We German soldiers have the deepest respect for British bravery. We believe the day is approaching when all the manly virtues of the great nations who participated in the war will unite them with us in the noble and peaceful purpose of working hand in hand for the undisturbed happiness of our children.

"Comrades, we will in silence think of our war dead, who laid down their lives upon the many fields of honour on land, at sea, in the air.

Toasts Exchanged

The big gathering then stood in silence whilst an ultra-smart bugler of the Royal Inniskilling Fusiliers blew "The Last Post" in what appealed to all as a particularly impressive manner, and at the end of the period "The Reveille" in equally stirring fashion.

Col. Kriebel again struck an enthusiastic note when, with his glass held high, he said:—

"Comrades, this evening means the fulfilment of a secret hope of many soldiers who have for a long time dreamed of such a meeting. Now it has become a fact. May it have many happy returns, and be extended in the future to the world war veterans of those other nations which are absent to-day. Gentlemen, His Majesty the King!"

The British Reply

Mr. E. C. Baker, President of the United Services Association, replied for the British. He said:—

"This is a very proud and happy moment. It is a great privilege to reply on behalf of the British ex-Service men here to the German community and the German war veterans for their invitation to get together this evening. After listening to Col. Kriebel's remarks, I really do not know what there is left for me to say. The sentiments he has expressed will be in our hearts for a long time.

"Individually, many of us have some very good friends among the German community in Shanghai and I know for a fact that some of us had already interchanged views and sentiments such as were expressed publicly by His Royal Highness the Prince of Wales a few days ago. The Prince has given a splendid lead and has enabled us to come out into the open collectively as ex-Service men and to acknowledge this friendly gesture of our hosts this evening.

End And Beginning

"I think to-day here marks an end and a beginning. It is an end to this after-the-war malady of misunderstanding which has been through a very long convalescent period, but I think to-day, any way in Shanghai, there has been a cure. It is the beginning of a new understanding and fellowship which will be kept healthy by the sane, and, I think I am right in saying, the middle-aged commonsense of ex-Service men of both nationalities. That is all I have to say, for I do not think this is an occasion for speech-making, but for hand-shaking. Gentlemen, the Leader of New Germany;"

The toast to the Führer was acknowledged no less enthusiastically than had been that to His Majesty, and thereafter the company gave themselves up to renewing old and making new acquaintances, with H.M.S. Lowestoft's well-trained and versatile choir filling in gaps by leading a species of Anglo-German community singing of war songs which had an appeal to both.

Shanghai has witnessed few more successful evenings.

U.S. GOVT. BUILDING FOR SHANGHAI

Recommendation Approved by House of Representatives

Washington, June 21.

The House of Representatives today passed the second deficiency appropriation bill unchanged from the Appropriations Committee's recommendations. The bill now goes to the Senate for approval.

Included in the bill is an appropriation for a new Government building at Shanghai. The committee recommended $750,000 for the project and estimated that the initial cost would be liquidated in 25 years, due to savings on rents and other items. —United Press.

Whangpoo Rd. Lot to be Used

Mr. Edwin S. Cunningham, United States Consul-General, who has been working steadily for the past sixteen years for a new Federal building in Shanghai, said on Thursday night that, in all probability, the building would be erected on the old government lot, between the present Japanese and German consulates in Whangpoo Road.

Mr. Cunningham expressed the hope that work on the building would be started soon and before his departure from China. Mr. Cunningham received official notification last week from Mr. Cordell Hull, Secretary of State, confirming approval of his retirement after 37 years service.

STATE FUNERAL FOR MR. LIAO CHUNG-KAI

Chi Chong Photos

A state funeral has been arranged at Nanking for Mr. Liao Chung-kai, one of the early Kuomintang leaders who was assassinated in August, 1925, in Canton. The casket containing the remains was brought here in the ss. Aramis to be conveyed to the capital in a special train. Picture above shows the casket being carried from the China Merchants' Central Wharf to a hearse, which is seen in the lower picture.

FIGHT AGAINST CUT IN WAGES

Shipping Owners' Decision Opposed

Trouble is feared in Chinese shipping circles between the owners and the seamen following the decision of the Shanghai Shipping Company Owners Association to reduce by 20 per cent. the wages of all employees with pay over $15 a month beginning July 1. At a meeting of the shipping officers and seamen at their union on Monday afternoon, June 17, it was resolved that the decision should be opposed.

The reasons for the opposition are that the expenses of the Chinese shipping companies have been reduced lately following the employment of Chinese officers and that the business of the Chinese firms has been expanded since the Mukden Incident. Many shipping concerns, which had one or two vessels formerly have acquired additional steamers. It was further pointed out that when the firms enjoyed good business, the crews were given no bonus, and it is not fair that their wages should be reduced as soon as the employers experience financial stagnation.

The owners had announced that unless the wages of the employees could be reduced and the Government decided to issue the $10,000,000 bonds for the relief of the shipping trade, they would resort to the suspension of business. The seamen, in their statement, declared that since the Government had the idea of converting the trade into a state enterprise, it would prove more practical to do so than to concede to the request for the flotation of $10,000,000 bonds.

"RED PILL" FACTORY RAID

An indicating that a factory was turning out 5,000 "red pills" a day is alleged to have been made on Tuesday, June 18, following a raid by French Police, who arrested four Chinese, two of whom were women. Illicit traffic in drugs in Route de Zikawei had been suspected for some time, and detectives of the French force had kept a certain neighbourhood under surveillance. Early yesterday, a raid was made at No. 7 Passage 290 off that road, where four arrests were made, and 12,000 pills and the complete equipment for making them were seized.

Apart from giving their factory's output as 5,000 pills a day, the arrested persons indicated, it is said, that the production was disposed of by means of pedlars.

SEVEN CHINESE SAVED FROM JUNK

Picked Up by Steamer While Clinging to Derelict

Seven Chinese junkmen who had given up hope of ever again seeing the homes and families the afternoon before, were landed on Thursday at the Kailan Mining Administration's wharf from the ss. Quarrington Court which docked here on arrival from Hankow. The seven men had been picked up by the steamer after having clung for hours to the bottom of an overturned junk near Channel Lighthouse.

Captain H. M. Sorensen of the Woosung-Hankow Pilots' Association gave the "North-China Herald" a description of the rescue. While bringing the Quarrington Court from Hankow to Woosung on Wednesday at 5.20 p.m. he noticed some dark objects in the water which, on approach, turned out to be men waving or struggling beside a larger object continually awash in the half-gale that was blowing.

As soon as he was sure that the dark objects were men, he ordered the engines astern and dropped anchor while a boat was lowered to the rescue. The boat had little difficulty in picking up the men, and the Quarrington Court proceeded on her way to Woosung, which she reached that night, leaving the derelict to look after itself.

Amazing Survival

Captain Sorensen expressed his surprise that the men had survived, in view of the heavy weather. He said that he doubted whether they would have been able to hold on very much longer, if the Quarrington Court or some other vessel had not turned up. From the masses of vegetable matter which made patches of green in the water, he judged that the junk had been carrying a cargo of some sort of hay or grass.

The men were picked up about one and a half miles above the Channel Lighthouse and next day the hull was next sighted by the ss. Anna Maersk at 6 a.m. near the Chingtiel Rock, which is some indication of the force of the tide.

The Customs authorities have been notified. It is understood that the rescued junkmen will be cared for by their native guild until the opportunity comes to ship them to their homes.

The ss. Quarrington Court is owned by the Court Line and is from Shields. She is commanded by Captain Hurst.

LONDON mail up to June 6, transmitted via Siberia, was delivered in Shanghai on June 22.

A DEAD KUOMINTANG LEADER HONOURED

State Funeral for Mr. Liao Chung-kai in Nanking

Covered with Kuomintang and national flags, the casket carrying the remains of the late Mr. Liao Chung-kai, one of the Kuomintang leaders, was brought here from Canton by the ss. Aramis on Monday, June 17, for a state funeral in Nanking. He will be buried near Dr. Sun Yat-sen's Mausoleum.

With the band from the Bureau of Public Safety of the Shanghai City Government playing a funeral march, the coffin was carried from the steamer, which berthed at the China Merchants Central Wharf, to a hearse which took it to a special coach at the North Railway Station. Before its removal to the capital, a memorial service will be held at the station, early this morning, when representatives of local public bodies will pay their respects.

Mr. Chen Shu-jen, representing the Central Kuomintang, Mr. Kan Nai-kuang, representing Gen. Chiang Kai-shek, Admiral and Mme. Chen Chak, Gen. Wu Te-chen, the Mayor, Mr. Yui Ming, Director of the Shanghai Office of the Ministry of Foreign Affairs, representatives of the Whampoa Military Academy, and about 300 others were at the wharf and the North Railway Station, offering homage to the late Mr. Liao. Mrs. Liao, the widow, travelled with the casket to Shanghai.

The late Mr. Liao, born 59 years ago in America, was a staunch supporter of the Kuomintang, being one of the closest friends of Dr. Sun Yat-sen. He studied economics and handled financial matters under Dr. Sun. One of the promoters of the Whampoa Academy, he helped Gen. Chiang in the suppression of rebellions in Kwangtung and also the organization of the National Government. He was assassinated on August 20, 1925, in front of the Kuomintang Headquarters in Canton.

1,000 Persons Attend Ceremony

Following a memorial service during which more than 1,000 persons paid their last respects, the casket containing the remains of Mr. Liao Chung-kai, one of the early Kuomintang leaders, was carried by train to Nanking, where a state funeral will be held.

The platform at the North Railway Station was lined with wreathes at 7 a.m. when the ceremony began. Dr. H. H. Kung, Minister of Finance Gen. Wu Te-chen, the Mayor, Mr. Chen Shu-jen, representing the Government, Mr. Pan Kung-chan, Mr. Wu Hsin-ya, Mr. Wu Kai-sien and Mr. Tung Ying-pei, executive members of the Shanghai District Kuomintang, and representatives of various public bodies took part in the service.

The train carrying the casket left for Nanking at 8 a.m. Mme. Liao, the widow, left in the same train

K.C.B. FOR SHANGHAI BORN ADMIRAL

Locally Connected Politician Also Honoured

A correspondent points out that, in His Majesty's Birthday Honours List, there were two decorations of a distinct local interest which hitherto appear to have been overlooked.

Vice-Admiral Charles James Colebrooke Little, C.B., who becomes K.C.B., was born in Shanghai in 1882, the son of the late Dr. L. S. Little, who at one time practised here. Admiral Little received his early education in that one-time famous Shanghai institution, George Lanning's School, and there are still here several of his old classmates who retain lively recollections of Charlie Little.

Mr. Cecil Hanbury, M. P. for North Dorset since 1924, who becomes a Knight Bachelor as a reward for political and public services, is the eldest son of Sir Thomas Hanbury and was at one time in Shanghai. He was a partner in Messrs. Ward, Hanbury & Co. and later became a partner in Messrs. Probst, Hanbury & Co.

The China Merchants Steam Navigation Company is meeting no difficulty in the adjustment of the compradore system in the ss. Hsin Kiangteen, and the vessel is expected to resume its regular Shanghai-Ningpo run in a few days, minus at least 400 tea-boys, a spokesman of the firm told a representative of the "North-China Herald".

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MISHAP FOILS EFFORTS TO LIFT WRECK

Part of Bow Patching in ss. Hervar Gives

In spite of the mechanical equipment employed, which is of the best; the ingenuity of five or six specialists who have studied the problem for months; the favourable tide; and previous tests, the raising of the ill-fated Hervar, which sank opposite the "North-China" Building on December 17, suffered another delay on Tuesday, June 18.

The Far Eastern Salvage Company, associated with Messrs. Wheelock & Co., having prepared for three weeks to raise the wreck, failed on Tuesday in bringing up the vessel through no fault of their own or their associates. The non-success is attributed to a single plank in the coffer-dam, or patch, on the forward end, where she was holed. Apparently this had been damaged by a launch or small vessel, which collided with the patch during either Sunday or Monday nights.

The fault did not come to light until strain was put it that morning, the injury having been under the water line.

Toll Made Futile

Thousands of man-hours of work were made futile in less time than it takes to tell. Once the fault manifested itself, thousands of gallons of muddy Whangpoo water rushed into the submerged vessel and Capt. E. R. Huntingon and Mr. W. Rubin called off their crews. The combined efforts of 96 coolies, a dozen divers, and auxiliary engineers and experts were of no avail, while a powerful 2,000-gallon pump was comparatively useless.

Low water was making at the Garden Bridge at 9.35 a.m., but those in charge refained from putting strain on the cables and lighters until half an hour later. The wires were tightened by the coolies who, seven at each of twelve winches, wound up the slack on the underwater six-inch wires.

General elation was experienced by those who had laboured under a tense strain for the preceding four or five days. As the tide flooded, the strength of the cables was thoroughly tested. Each winch held as the cables taughtened, while the blocks under the water bore the strain magnificently.

Inch by inch, two lighters on either side of the Hervar, to which the gear had been attached rose, as the water round and under the vessel became deeper. The cables were holding, although the weight of the 2,000-ton vessel constituted a grave test.

Stern Raised Six Feet

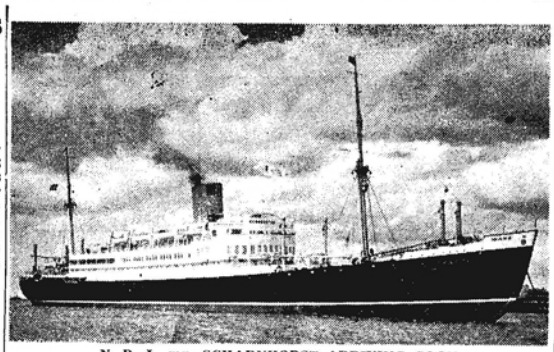
The forward end of the Hervar buried itself deeper, while the mid-section, including the bridge and rails, came more and more into view. Ultimately the after end of the vessel was raised six feet from its original position on the bottom. As the ship gradually rose in the same degree as the lighters, Russian divers, without their diving suits, were able to walk round on the floor of the dining saloon and the officers quarters.

Then came the anti-climax. The first leak in the patch was not noticed immediately, but when the plank became loose from the remainder of the coffer-dam, water poured in in huge quantities filling the forepeak and the area between the first and second bulkheads, the former having been damaged beyond repair by the collision with the Tung Tuck. Between 11.15 a.m. and 11.30 a.m., the order was given to cease working. The tanks, however, still were dry and will form the basis for future operations.

But at noon that day, Capt. Huntington was optimistic regarding the next "lift." He stated that all tests prior to the actual raising had been successful. They had raised the forward portion by pumping out the water. They had successfully applied the maximum strain to lighters and wires, and by "taking the strain" and lifting the hull six feet, had proved to themselves that the "job was theirs." The break in the patch could not be foreseen: had been tested and found in order, and the incident which had caused the weakness had not been noticed—he was sure that they would remove the Hervar from the bottom of the river.

It will be recalled that the Hervar, in-bound from Siam with a full cargo of rice, came into collision with the Tung Tuck about 9 a.m. on December 17, foundering in 20 minutes with no loss of life, after the Master had partially beached her near the River Police Hulk. Messrs. Wheelock & Co., Ltd., secured the contract from the Customs for salving her.

A street arrest at dawn on Thursday enabled detectives of the French Police to carry out two raids shortly afterwards, in which four other arrests were made and one Mauser and two dummy pistols seized.



N. D. L. mv. SCHARNHORST ARRIVING SOON

The latest addition to the Europe-Shanghai service, the 18,000-ton Scharnhorst, said to be latest in maritime construction arrived in Shanghai on Tuesday night. The local agents have prepared several functions during the ship's stay, which will conclude on July 1, when she begins her return voyage.

AUTOGIRO DISPLAYED AT LUNGHUA

First Craft of Its Kind in China

A descent at an angle of about 70 degrees from sixty feet, an almost imperceptible bump as the wheels touch the earth, a forward run of less than a yard. That in brief describes the landing of the latest Cierva autogiro, which was demonstrated at Lunghwa Aerodrome on Friday afternoon by Flight Lieut. A. D. Bennett before a large crowd of interested spectators, both foreign and Chinese.

This plane is the first "Flying Windmill" to come to China, and its performance on Friday amply bore out all that has been said and written about it. After starting up the rotor blades by means of the rotor attachment to the engine—used in starting only—Mr. Bennett released the wheel-brakes, and the wasp-coloured machine took to the air after a forward run of less than a hundred feet.

Once in the air, the plane performed all the usual manoeuvres of a standard open two-seater aeroplane. It banked, dived, zoomed, as Mr. Bennett put it through its paces. Then came the test all had been waiting for. Heading it into the wind, he put its nose up slightly, and it remained still in the air above the heads of the crowd. Actually, its minimum forward speed, as claimed by the makers, is fifteen miles an hour, which means that in a twenty mile an hour wind the antogiro would drift slowly backwards. The landing, too, proved another surprise, especially to pilots accustomed to rolling forward for a hundred feet or so after the wheels have touch the earth.

Should the motor fail, the blades continue to revolve, but the machine is forced to descend slowly like a parachute, remaining at all times under the pilot's control. Due to the fact that the blades are always revolving, the machine is inherently stable; stalling is impossible, and the autogiro automatically tries to keep on an even keel.

The controls, too, are entirely different. Besides the throttle, the only control the pilot has is somewhat similar to the familiar joy-stick, which in this case hangs from the universally-connected rotor hub, to which it is directly connected. Climbing, descending, and turning are all achieved by the use of this simple control.

Autogiro not "Fool-Proof"

It should not be assumed that the autogiro is "fool-proof. Since a pilot can fly it very badly indeed, however, it can be called "blunder-proof," and is claimed to be the safest form of aerial locomotion ever devised. It leaves the ground quickly, and climbs steeply; it can land in a still smaller space, and if necessary, without any forward speed at all, as demonstrated yesterday.

Its potentialities are enormous. While it will probably never replace the standard aeroplane, yet it possesses peculiar advantages for such varied work as feeder-line work on trunk air routes, police and forest patrol work, exploration and survey work, artillery observation, photography, deck landing, and anti-submarine patrol work.

The autogiro lends itself to two further revolutionary advances in the future, the possibility of taking off without an initial run, and of being used as a combined air and surface means of transport.

Under the direction of Senor Don Juan de la Cierva, Messrs. A. V. Roe & Co. Ltd. are at present at work on a five to six seater cabin machine, fitted with a 525 horsepower engine which is expected to drive it forward at a top speed in excess of 160 m.p.h.

Local representatives of the Cierva Autogiro Co. Ltd., and of Messrs. A. V. Roe & Co., the builders, are Messrs. Aircraft (China) Ltd.

ST. VINCENT DE PAUL SOCIETY MEETS

Annual Gathering Held at Catholic Circle

A total of $6,609,70 was expended during 1934 by the Shanghai Society of St. Vincent de Paul, Catholic welfare organization, according to the forty-eighth annual report of the Society presented on Sunday at the annual general meeting. The meeting was held yesterday morning at the Shanghai Catholic Circle in Nanzing Road and was combined with the annual meeting of the Apostleship of Prayer. Bishop A. Haouisee, S.J., presided and addressed the 300 persons present on the work of the two organizations.

The St. Vincent de Paul report showed that 68 adults and 53 children (non-Chinese) were on the register of the Society at the end of the year; $1,082.67 was used to purchase rice and $3,755 spent in weekly grants, $718 in monthly grants and $338.20 in occasional grants. At the beginning of 1935 the Society had on hand $1,540 to meet an average monthly expense of $550. A Christmas fund of $242 was collected and applied to yule tide festivities for the poor held under the auspices of the Reverend Mothers of the Holy Family and the Reverend Brothers of St. Francis Xavier's College.

Among the activities of the Apostleship of Prayer, special mention was made at the meeting of the choir and the catechism classes. The work undertaken by the Reverend Mothers of the Holy Family in connection with the catechism classes and the library was highly commended. The deaths of nine Associates of the organization were noted with regret.

The officers of the St. Vincent de Paul Society are Mr. H. C. Lubeck, president; Mr. B. A. da Cruz, vice-president; Mr. D. M. Gutterres, hon. secretary and Mr. F. X. S. M. Gutterres, hon. treasurer. The officers of the Apostleship of Prayer are Mr. A. M. Diniz, president; Mr. A. P. Simoes, hon. secretary; Mr. E. E. Wilson, assistant hon. secretary; Mr. D. M. Gutterres, hon. treasurer; and Mr. F. A. Lopes, assistant hon. treasurer. The Very Rev. John A. Lennon, S.J., is spiritual director of both societies.

A gang of seven robbers was arrested early on Monday morning, June 17, by the French Municipal Police, who surprised the men in a Chinese boarding-house at 415 Rue Amiral Bayle. The police confiscated two automatic pistols and about forty rounds of ammunition and later established that one of the pistols had been used in the murder of a robbery victim in Route Cohen last year. Two men armed with pistols participated in this crime, last October, and one of the men was subsequently arrested, tried, and sentenced to life imprisonment. The other is believed still to be in the French Concession.

GENERAL MEETING OF CHINESE CHAMBER

Commerce Recovery Body to be Formed

Three important resolutions were adopted by the sixth annual general meeting of the Shanghai Chinese Chamber of Commerce, held in the Chamber's assembly hall at 2 p.m. on Sunday. With Mr. Yu Chu-ting chairman of the Chamber, presiding, the meeting was attended by over 280 representatives from more than 160 trade guilds and commercial organizations in Shanghai.

Declaring that the business depression in Shanghai had gone from bad to worse in recent months, Mr. Wang Yen-sung, a leading member of the chamber, proposed to form a Commerce and Industry Recovery Association composed of economic experts and business and industrial leaders for the purpose of devising means to aid local shops and make suggestions to the Government.

Mr. Wang declared that the Government's relief measure—granting a loan of $25,000,000 in treasury bonds—was only of a temporary nature and a body entrusted with the work of finding out the fundamental causes of the depression and giving permanent relief needed. The meeting, following lengthy discussions, adopted the proposal in principle and referred the matter to the Chamber's executive committee.

Government Control

The Central Government should be asked to balance the nation's imports and exports by establishing a government control of them, the meeting resolved after considering a proposal to this effect made by Mr. Loo Chinghwa, one of the Chamber's supervisors. Mr. Loo stated that an examination of the Customs statistics revealed that China's imports had always exceeded her exports since 1929 and that such excess had increased considerably during the past six years. If measures were not decided upon for checking the outflow of silver, there would come a day when the nation's silver would be exhausted and it would go bankrupt. The only relief method was to cut down foreign imports to China, but, as this involved foreign trade questions, it was the duty of the Government to enforce it, Mr. Loo said.

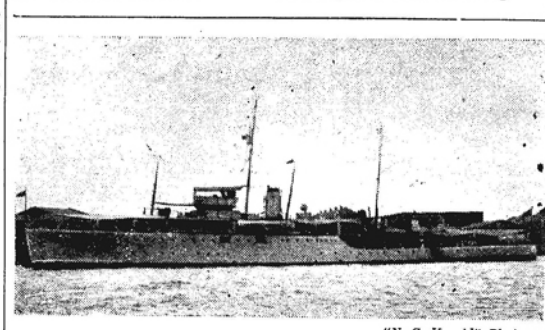
The Rickshaw Owners Association made a proposal to the meeting, asking for support in their "fight" with the Council over the rickshaw question. They asked for a proclamation in the name of the meeting for the "protection" of the owners' interests and the pullers' welfare. They further appealed for support to their demands for the reorganization of the Mutual Aid Association, a change in the model rickshaw design, and that there should be no restriction upon the number of pullers to be registered with the Council.

Referred to Committee

While sympathy was voiced with the owners' appeal, the meeting did not reach any definite decision, but referred the matter to the Chamber's executive committee for further discussion, with the instruction that the Chamber's assistance was for the protection of both the owners' interests and the pullers' welfare.

Ten other proposals were discussed and adopted by the meeting, these including one to the effect that the Shanghai City Government should be asked to establish a Liquidation Bureau to take charge of affairs of business concerns that had closed down. This was also adopted.

Major excitement ensued on the Bund foreshore on Friday about 3 p.m., when the President Pierce, from San Francisco, in proceeding to the Dollar Wharf, fouled several large sampans carrying paper. Ten or twelve huge rolls of paper were thrown into the Whan poo, in which a strong flood tide was running.



"N.-C. Herald" Photo.

H. M. S. LOWESTOFT AT FRENCH BUOYS

H.M.S. Lowestoft, making a welcome reappearance of the Royal Navy off the Bund—the first since H.M.S. Kent fouled the British naval buoys—is now lying at the French naval buoys, by courtesy of the French authorities.

$4.50 AS COST OF SAVING A MAN

Some Human Stories from Lester Hospital

The report for May of this year by the Superintendant of the Lester Chinese Hospital is a dramatic document. It follows, as received:—

The Shanghai public has of recent months been hearing a great deal about the financial depression, and its effects upon business. Closing of banks, liquidations, failures, all have an effect upon the lives of numerous individuals, and of these only a few are sufficiently in the limelight to gain a place in the newspapers. Those who work in the city's hospitals have a clearer perception of what financial stress means to the public than most others, except probably the Police Force.

Two recent group suicides have been public recorded, because of their dramatic nature, but here are some figures that emphasise the strain. In this one hospital, last year, the numbers of attempted suicides in each month from January to May were 75, 68, 124, 74, and 122, a total of 463. The corresponding figures for this year have been 82, 81, 136, 152, 80, total 631. This increase is almost wholly due to economic difficulties.

Market Value of Life

Occasionally there is brought up in somewhat startling manner the actual market value of a human life. A big sturdy man, come from the country for work, was thrown out of employment by the closing of a mill. He invested in the requirements for street hawking, but a spell of bad luck reduced him to beggary. His last asset, a basket, went for the price of a packet of arsenic. Picked up on the street, he was brought to hospital and revived. After due inquiry, he was refitted with the means of carrying on his hawking again, and a month later is getting on sufficiently well. The cost of refitting him was, for baskets and a small stock of wares, $3; for an old coverlet, say, $1; for extras, $0.50; total $4.50. This was the price of one man's life.

A woman, plagued by illness and starvation, stole opium. Children dead, husband out of work, she could not hang on to life. An effort in the right place and her husband was earning enough to support the two scantily. A few days' treatment, and she was well on the way to renewed health. Cost of treatment (other than for the opium poisoning), say, $1.50. Total cost $1.50, plus an hour's work in finding employment, and a home is saved, at least temporarily. It is startling, is it not?

Out-patients' visits to the end of May have numbered 74,540, an increase of 9,436 over the first five months of last year. The reasons for this increase are numerous, but one factor is that many patients are no longer able to meet the cost of visits to private practitioners.

Two Limitations

Thus the hospital, like others of a similar type, is having to meet an increased demand for treatment and life-saving. Naturally, its staff are glad that they can do more for those who suffer, and are prepared to meet these calls to the utmost of their ability. But there are two limitations to such work. There is the limit of staff strength and of accommodation, and often they have to say that this has almost been reached. The other limitation is equally serious. As public financial stress waxes greater, and calls on the hospital for aid increase, there is at the same time less inclination to give for charitable purposes, and income is apt to fall just at the time it is most urgently needed.

The Lester Chinese Hospital, for instance, has property endowments, bringing in certain sums for this relief of indigent sick folk. These sums are small enough for the work it is called on to do even in more normal times, but depression means the shrinkage even of these, while, at the same time, the number of cases with urgent disease or injury, and unable to pay even the small sums asked, increases alarmingly.

A vigorous man-hunt covering a wide area in Shanghai resulted in the arrest on Thursday, by the French Police, of eight alleged members of a kidnapping gang and the release of a four-year-old Chinese boy who was abducted from his home in the Concession, near Siccawei, five weeks ago. Lu King-sen was in his mother's arms on the afternoon of May 13 when the kidnappers arrived and the boy was snatched from his mother and carried away. The victim's father tried to raise an alarm, but he was immediately silenced by the gunmen, who fired at and slightly wounded him. Letters were sent to the boy's parents, demanding $50,000 as ransom money.

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"THE NOBLE AND PEACEFUL PURPOSE"

Photo. E. Juras German Studio.

Col. Kriebel, the German Consul-General in Shanghai, giving the lead when German war veterans and leaders of the German community so quickly followed the hint from the Prince of Wales and entertained British war veterans at the German Garden Club.

SIAMESE MISSION ENTERTAINED

Establishment of Diplomatic Relations Urged

The establishment of diplomatic relations between China and Siam was urged in a letter sent to the Siamese Mission by public bodies in Nanking, it was learned here yesterday. In the letter, the organizations accorded a hearty welcome to the Mission and also inquired into the alleged anti-Chinese movement in Siam.

The seventeen members of the Mission visited Hangchow on Thursday, when they were entertained by Mr. Chow Hsiang-yen, Mayor of Hangchow, at a tea party. Gen. Wu Te-chen, the Mayor, entertained the members at a tiffin yesterday in the City Government building at the Civic Centre, Kiangwan. Mr. Wang Shao-lai, Chairman of the City Government Council, Mr. Yui Ming, director of the Shanghai Office of the Ministry of Foreign Affairs, and several other local residents were also invited to the function.

DEGREES AT SHANGHAI UNIVERSITY

Minister to France Speaker at Ceremony

Degrees of bachelor of arts and bachelor of science were conferred on 74 and 26 candidates, respectively, by the University of Shanghai at its 23rd annual commencement exercises, held in the college premises, Military Road, on Saturday afternoon. Dr. V. K. Wellington Koo, Minister to France, the principal speaker, dwelt on the right road after graduation, emphasizing that there was no short cut to success; one must start from the very beginning.

Dr. Herman C. E. Liu, President of the University, said that, despite the financial stagnation and the depression, the University had been receiving continual support from its friends, and it was hoped further contributions would be forthcoming so as to make the erection of an auditorium possible.

Dr. Koo advised the graduates not to be too ambitious and hasty in their aspiration to do things. To obtain a high position one must pass certain stages, just as a student to secure a degree must be educated in various schools before reaching the university. Being too aspiring, one was liable to meet setbacks which might cause undue pessimism. He further advised graduates to consider it their task to remould the psychology of the multitude on more solid lines, for a sound people meant a sound country. The present luxurious standard of living was not in keeping with conditions in the country. Students from the country, who studied in the city, found it difficult to endure the hardships they had borne formerly, when they returned to their native villages. As to one's attitude towards the Government, one must give full support. It was not necessary to be in the political field to save one's country; there were many other fields to work in towards the same end.

CHANGE IN PULLERS AID ASSOCIATION

Special Rickshaw Committee Reports to S.M.C.

The Rickshaw Special Committee appointed by the Shanghai Municipal Council to study with the Rickshaw Board the situation that arose at the end of May, when various proposals were put forward by rickshaw owners, reported to the Council on Monday afternoon that two meetings had been held, the first of which was a preliminary discussion of questions in issue. The second meeting gave particular attention to the constitution of the Board of Trustees and the Board of Management of the Pullers' Mutual Aid Association, revision of which was sought by the Rickshaw Owners' Association under Article VI of the agreement of August 6, 1934, which states that the constitution of these bodies is "subject to revision after a period of eight months."

The committee recommended to the Council that the composition of the Board of Trustees and the Board of Management of the Pullers' Mutual Aid Association be as follows:—

Board of Trustees:—Three members comprising one member of the Rickshaw Board and two other persons to be nominated by the Chinese Chamber of Commerce and the Chinese Ratepayers' Association; one of these two members to be a member of the Chinese Chamber of Commerce and the other to be a prominent Chinese banker.

Board of Management:—The members of the Rickshaw Board. Two representatives of the registered rickshaw owners. Two representatives of the licensed rickshaw pullers to be appointed only when machinery for the election of these two members by the pullers has been devised, and approved by the Council. One member from the Chinese Chamber of Commerce. One member from the Chinese Ratepayers' Association. Four community members.

Part of Voluntary Workers

Hitherto the Board of Trustees has consisted of the three members of the Rickshaw Board, and the Board of Management of twelve members, viz., the three members of the Rickshaw Board, two representatives of the registered owners, and seven community members. Registered pullers have not availed themselves of the provision to appoint two representatives to sit on the Board of Management. The Committee felt that instead of all three members of the Rickshaw Board being trustees, one member of the board might be appointed, together with one member nominated by the Chinese Chamber of Commerce and one by the Chinese Ratepayers' Association. It was understood that, if the Council approved this proposal, the new Board of Trustees will not assume office until the present trustees have had an opportunity to present a statement of accounts to date.

The discussion in reference to the Board of Management largely concerned the number of social workers to be included. It was recognized that to a considerable extent the success of the work depends upon these voluntary workers. At the same time it was felt that the board might become unwieldy in size if its membership were not restricted. Finally, the committee recommended that the constitution of the board be as set out above.

The Council approved the committee's recommendations with the exception that it was decided that the number of community members' seats on the Board of Management of the Pullers' Mutual Aid Association should be reduced to three. It was stated that the representatives of the licensed pullers would be public rickshaw pullers.

KNIGHTHOOD FOR C.P.R. HEAD

Recognition of Work of Mr. E. W. Beatty

It is of especial interest to note that in the recent Birthday Honours List, the work of Mr. E. W. Beatty, president and chairman of the Canadian Pacific Railway Company, has been recognized with a knighthood.

Sir Edward Wentworth Beatty, K.C., LL.D., is the first Canadian-born citizen to hold the position of president of that vast railway-steamship system which is now known all over the world. The son of a noted steamship operator on the inland seas of

Sir E. W. Beatty

Ontario, he was born at Thorold, Ontario, in 1877, and was educated at Toronto University.

Called to the bar in 1901, he joined the legal branch of the Canadian Pacific Railway the same year, being raised to a vice-presidency in 1915. Upon the retirement of Lord Shaughnessy three years later, he was appointed chairman and president.

In addition to his position in the Canadian Pacific Railway, Sir Edward Beatty is also a director of the Sun Life Assurance Co. of Canada, the Bank of Montreal, Royal Trust Co., the Minneapolis, St. Paul and St. Sault Marie Railway, and numerous other prominent Canadian companies.

CHRISTIAN BROADCASTING ASSOCIATION

Mr. Ralph Lapwood, of Medhurst College, will be the speaker over Station XHHA, the Chinese Christian Broadcasting Association, on Sunday, June 30, from 8.30 to 9 o'clock.

TAX READJUSTMENT CONFERENCE

Assembly Asked to Act on Adopted Measures

The Stamp, Tobacco, and Wine Tax Readjustment Conference, which was opened last Thursday under the auspices of the Internal Revenue Administration of the Ministry of Finance, concluded with a brief ceremony at the Central Bank on Monday morning. The sessions were attended by directors and deputy directors of the provincial stamp, tobacco, and wine tax bureaux in Kiangsu, Chekiang, Anhwei, Kiangsi, Fukien, Hunan, Hupeh, Shantung, Honan, and Hopei.

In an address to the assembly, Dr. H. H. Kung, Minister of Finance, stated that the income of the government is derived from taxes and the heads of the various tax bureaux should exert their efforts to introduce improvements and stamp out corruption with a view to increasing the Government revenue. He expressed the hope that they would perform their duties faithfully and act on the various measures adopted at the conference, such as the prevention of abuses and readjustment of methods of collection. He also stated that Gen. Chiang Kai-shek had paid great attention to the conference. Those found guilty of abuses would be punished, he said.

Plans for Reforms

Among the principal proposals adopted at the conference were:—

The average wine and tobacco tax receipts in each province during the past three years should be taken as the basis of a minimum limit for such tax receipts in the province concerned. On this minimum basis, reward or punishment for the revenue collection officers will be determined.

Special inspectors should be appointed to supervise the issue of wine and tobacco tax receipts (or certificates), so as to prevent corruption.

The Ministry of Finance should be recommended to despatch technical experts to the tobacco cultivation areas, to inspect conditions and plan reforms. The Ministry should also be requested to sponsor the organization of a semi-official institution for the extension of loans to tobacco growers and merchants for the improvement of production and manufacture.

The provincial wine and tobacco bureaux are to be instructed to draw up estimates of the receipts from the branch bureaux under their respective jurisdictions, and to submit the same to the Internal Revenue Administration for approval and record.

With regard to the proposals for cash rewards or bonuses to the branch wine and tobacco tax bureaux whose tax collection exceeds the estimated quota, it was decided that 20 per cent. of the provincial surplus from this source be distributed by the provincial bureau to the branch bureaux concerned as rewards at the end of each fiscal year.

THE old premises of the Bank of China on the Bund are to be demolished, a bamboo fence being erected around the building. As soon as the final plans are approved, the construction of the new building will be started.

COMMENCEMENT DAY AT ST. JOHN'S

Seventy-three Graduates are Given Degrees

The accommodation of students of the St. John's University reached its limit this year, said Dr. F. L. Hawks Pott, president of the University, in his announcements on Saturday during the University's fifty-sixth commencement exercises. A large number of guests and alumni, were in attendance. The programme included music by the band of the Fourth U.S. Marines, a procession of guests, faculties, alumni, and students, a hymn for the nation, invocation by Bishop J. W. Nichols, the president's announcements, and an address by Dr. H. H. Kung on "the proper attitude college students should have towards life."

Dr. Pott stated:—

"We have been greatly encouraged by the fact that St. John's seems to have a real place in the educational world. Our enrolment this year has been so large that we have reached the limit of our present accommodation. There have been over 525 studying in the schools of the University and 300 in our Senior Middle School. We have had proof of the confidence placed in St. John's by the generous response made to our appeal for funds for the erection of a new dormitory building for the Middle School. In a surprisingly short space of time the amount needed ($35,000) was secured, and more than $18,000 was contributed by parents, guardians, and interested friends in Shanghai. The alumni of the University have continued to show their willingness to help their *alma mater* during the time when we are somewhat financially embarrassed. What is known as the Sustentation Fund has been kept up and we derive $12,000 annually from that source, to be added to our income.

Pride in Alumni

"During the past year I have travelled quite widely, visiting branches of the Alumni Association located in different parts of the country. The following centres were visited:—Peiping, Tientsin, Chungking, Hankow, Wuhu, Nanking, Soochow, Foochow, Amoy, Swatow, Canton and Hongkong. Everywhere I received a most cordial welcome, and I think I can say, without exaggeration and boastfulness, that no university in China has a finer body of alumni than St. John's. In order to bring about closer connection between the alumni and the University, a University Alumni Secretary has been appointed with the co-operation of the alumni, who have undertaken to pay $3,600 towards his support. Dr. Y. Y. Tsu has rejoined the faculty of the University and gives a large part of his time to the duties of University Alumni Secretary.

"In addition to the help secured for the erection of the new building and from the contributions of the alumni, we have received a number of gifts. Among those, I would like to call attention to the collection of Chinese books, containing 4,000 volumes, presented by Dr. H. H. Kung, some valuable books on China presented by Mrs. Ancell from the library of the late Dr. B. L. Ancell, some lamp standards for the bridge across the Soochow Creek presented by the Class of 1934, and a generous contribution of $500 from Mr. Jian H. Chen for the expense of the office of the University Alumni Secretary."

Dr. Kung's Address

Dr. Kung urged the graduates to bear in mind specially the word "commencement." After graduation from the college, the students had just started their life in society and the thing they should pay particular attention to was how to serve their country. He urged the graduates to be persevering and steady in the pursuit of any object, humble and modest, patriotic, and ready to co-operate with others.

The presentation of certificates, the conferring of degrees on the graduates, and the awarding of prizes then took place, occupying the major portion of the programme. The degree of Bachelor of Arts was conferred on thirty graduates, the candidates being presented by Dean Wm. Z. L. Sung. Sixteen others received the degree of Bachelor of Science, the candidates also being presented by Dean Wm. Z. L. Sung. In addition to these, twelve received the degree of Bachelor of Science in the school of civil engineering, the candidates being presented by Dean J. A. Ely, and fourteen received the degree of doctor of medicine, being presented by Acting Dean P. C. Nyi. Kwang-so Francis Chang, B. S., received the degree of Master of Science in the graduate school. He was presented by Prof. D. Roberts.

Charred so badly that it has not been possible to identify them, the bodies of three Chinese were found early on Thursday by firemen of the French Concession brigade, following a fire in Rue Galle.

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A WANDERER OF MANY HOMES

And Many Professions: Mr. Najib Hashim's Colourful Life: An Authority on Jade

Mr. Najib Hashim, from Canton, has been in Shanghai for the last few days, but proposes to return home soon. This is strange, to anyone acquainted with Mr. Hashim's history. He has been interested in many projects and he has experimented in a hundred lines, but one thing he never has done to any great extent, and that is to return home. The reason for this is that he has always had a certain difficulty in deciding which part of the world he would choose as home. He was born in Beirut, Syria, but thinks he prefers London—or Havana—or New York—or Manila. And as for Canton.....

"The climate is better in Canton than in Shanghai," says Mr. Hashim, but it is suspected that the chief attraction of the southern province is that it is so near so many other places, and Mr. Hashim, though he professes to great age and infirmity, still likes to travel. A strongly-built man, he is a striking figure with his puffs of white hair, which make him look remarkably like David Belasco. There is good reason why he should resemble the impressario, for his first appearance in public life was in the same line. When Mr. Hashim was a young man, he went from London to New York and entered the theatrical business, producing grand opera. When he tired of this and saw greater opportunity elsewhere, he branched off into vaudeville, then a much more important part of America's amusement than it has been since the advent of the cinema.

Monkeys in Cuba

A quarrel with some of his partners sent Mr. Hashim off to Cuba with his grand opera troupe, and on his return he had some knowledge of Cuban psychology, though he had failed to make his fortune. He became acquainted with a vaudeville performer who had a trained monkey and dog act, and he saw the possibilities. "How many animals have you?" he demanded of the trainer. "Thirty monkeys and twelve dogs," said the man. "That is not enough," said Mr. Hashim, "We shall want 100 monkeys and 100 dogs before we start out for Cuba." "I can't possibly train that many in such a short time," protested his friend. "No matter," said Mr. Hashim. "I want the curtain to rise on a big spread of animals. Get them!"

Mr. Hashim, the trainer, and 200 assorted monkeys and dogs were an enormous success in Central America for two seasons, touring Panama after they had had their triumphal tour through Cuba But Mr. Hashim was tired of being an impressario of either opera-singers or monkeys, and with his wife he set off on a world tour, something more than thirty years ago. They proposed to go completely around the world and to land again in New York, but Mr. Hashim has never been the type to adhere closely to plans merely because he has made them. He thought Japan looked as if it could be developed; he was not sure how he would go about developing it, but the Orient attracted him, so he and his wife and their trunks were disembarked in the Far East. It was here that he first heard of Philippine embroidery and lace-making. Later he went on to Manila and began to organize a lace and embroidery export business. Mr. Hashim was the first man to be responsible for the blouses, d'oyleys, and lingerie that flooded the West from the Philippine Islands.

"I would still be there in Manila," he said, "if styles had not changed. When these sports dresses came in there was not half the demand for embroidery there used to be, and business fell off."

Lace and Jade

Perhaps he was not really sorry that he must seek pastures new. One branch of his lace business was in Canton, and quite by accident he entered the business of buying and selling jade. During one of his trans-Pacific trips, he met a lady who asked him to find her a good jade necklace. In his search he came upon two valuable necklaces, and brought them both to America, where he sold them and thereby discovered a rapidly increasing demand for jade. He began to investigate the market. One of his agents bought a lump of jade in China and his own workmen cut it up and fashioned it into bracelets. He sold them immediately.

Interested, he pursued the matter, and he discovered that, contrary to a widespread belief, most of the "Chinese" jade worn in China is not from this country at all, but from Burma. Really good jade is one of three colours, which he has learned long since to distinguish, and he has become an authority on the subject.

The jade mines in Burma are of two sorts, the river-bed mining, which is comparable to gold placer-mining in that the matrix is simply found and picked up from the water, and the mines in the hills, where jade rock is chopped out. River-bed jade is rather a gamble, for the surface of the rock is corroded and discoloured by water and friction; only an export can guess at the colour beneath. Therefore, if a man buys such a rock, he must wait until he gets back to his factory and can cut it open before he is sure whether or not he has been "done," but, because of this risk, he never pays much, comparatively, for rocks of this description, and if he has bought a really good lump his profits are large.

Mr. Hashim has made a trip to Burma himself in his search for jade; with one servant, a tent, and a very fundamental supply of food he went into the interior and set up camp which he used as headquarters. He enjoyed himself, though few people would agree with him as to the joys of camping out-of-doors. "I'm going back there in a few months", said Mr. Hashim, "but I'm getting old and this time I am going to indulge myself in luxuries. Instead of scooping up water from the springs to drink, I have made up my mind to take a drinking-cup, and nothing will change my intention. What is life without some comforts?"

Jade and the Depression

He believes jade to be one constant factor in a world of values that are constantly shifting and changing —that is to say, the world of the jeweller. Diamonds maintain their value because of their rarity, and it is an artificial rarity now, when diamond companies must restrict their output. Pearls are not so attractive now to the gem-fancier, when "culture" pearls are to all intents and purposes the same as natural ones, for even experts must split the gems before they can distinguish cultured from real. Rubies and sapphires are made synthetically and their price, too, will be forced down; the same fact is true of emeralds. Only jade cannot be duplicated: at least, no-one has as yet been able to make good imitations.

One proof of the popularity of jade is that at present, when old and wealthy Chinese families sometimes are forced to sell their properties, they retain their jade until the very last possible moment. It is extremely difficult to find jade of good quality in the market, even when diamonds and other gems of first-rate value are for sale at low prices. For hundreds of years jade has been cherished and preserved, and it is likely to be hoarded for hundreds of years more.

For this and for other reasons Mr. Hashim looks forward to his next trip to Burma. "It is a lovely country and the people are most friendly," he said. "I have been in many countries, though, and I have usually found the country people easy to get on with. I have had a very full life. If I were to die tomorrow, I could not complain. I do not think I could claim to have missed much."

THE RESULT OF SUNDAY'S RAINFALL

"N.-C. Herald" Photos.

As a result of heavy rainfall during the night, various low-lying parts of Shanghai were completely flooded. This picture was taken by the Bubbling Well Fire Station on Yu Yuen Road.

LOANS COMMITTEE TO FUNCTION

Regulations Governing Body Awaiting Final Approval

The regulations governing the Shanghai Commercial and Industrial Loans Committee were approved on Friday and will be submitted to Dr. H. H. Kung, Minister of Finance, this morning for endorsement.

The question of the early extension of loans to those Chinese shops and factories in urgent need of financial relief was discussed. According to a member of the committee, the loans to be granted are limited to $20,000,000, of which $4,000,000 already has been set aside by local Chinese banking institutions. When the applications for such loans are found to be in proper order, the committee will authorize the banks to grant loans to the applicants. It is reported that the amount required by the Chinese concerns totals $30,000,000.

Under the auspices of the Bureau of Social Affairs, an agreement has been reached between representatives of the management of the Shanghai Native Goods Co., which closed on June 4, and the employees, whereby the latter will receive, in addition to their deposits and wages for the month of June, retiring gratuities equivalent to two months' wages.

Staggering Sum Required

$30,000,000 is the staggering figure required by local Chinese shops and factories to help them meet the present financial situation, according to reports in the Chinese press.

Requests for loans have been filed with the Shanghai Commercial and Industrial Loans Committee through the four following bodies:—The Chunghwa Native Goods Maintenance Association, the Native Goods Factory Owners Federation, the Machine Made Goods Factory Owners Association, and the Shanghai Citizens Native Goods Promotion Association.

A FAREWELL TIFFIN FOR MRS. N. LESLIE

Presentation Made by Fellow Members of B.W.A.

Members of the British Women's Association turned up at headquarters in force on Monday, when a farewell tiffin, arranged by the Executive Committee, was given for Mrs. Norman Leslie, who is shortly leaving for Home. Mrs. Leslie is a member of long standing and holds an honourable record of past service, particularly in the direction of improving the standard of local education. Nearly all those present at the luncheon table had happy memories of past associations with the popular guest.

When the coffee stage had been reached, Mrs. J. T. Ford, as Chairman of the Association, expressed the sorrow of the members at the prospect of losing so valuable a standby as the guest. She touched briefly on all Mrs. Leslie had done for the Association, mentioning in particular her work in 1923 as organizing secretary of the Old English Fair, a very ambitious and successful undertaking held during the summer of that year.

"Mrs. Leslie was Vice-President in 1925," Mrs. Ford added, "and she has held office on countless occasions since then—far too many to enumerate. Perhaps, as fellow members, however, we were proudest of all when she was appointed to the Education Board of the Shanghai Municipal Council, when she did a great deal to improve the standard of education, both in the Chinese and foreign communities."

Mrs. Ford concluded by wishing Mrs. Leslie every happiness in the future and hoping she would remember her friends in China and return to visit them one day.

Mrs. Leslie's Reply

In a brief and informal response, Mrs. Leslie expressed herself as deeply touched by the number of old friends who had come to bid her farewell. "I had been thinking of this change as a kind of glorified home leave," she remarked, "but now the time is drawing near I begin to realize that it is hard to pull up one's roots so completely after many years and say goodbye to so many good friends."

She assured the members that she would take home many happy memories of past B.W.A. activities and caused much laughter by reminiscences of the hectic days of the Old English Fair 12 years ago. She added that, thanks to her friends, so many of whom were present on this occasion, the 23 years spent in the country had been very happy ones on the whole.

A linen tablecloth, handworked in point de Venice, was presented to Mrs. Leslie by the Chairman on behalf of members of the Association.

Those who attended the tiffin included Lady Brenan, Mrs. J. T. Ford, Mrs. J. S. Whitney, Mrs. W. F. Bichard, Mrs. J. E. Moir, Mrs. D. Lee, Mrs. F. Fretwell, Mrs. G. Fryer, Mrs. E. E. Parsons, Mrs. G. G. Phillips, Mrs. Ivon Clark, Mrs. N. A. Viloudaki, Mrs. G. W. Cockburn, Mrs. R. E. Toeg, Mrs. S. C. Flory, Mrs. J. C. Wynnes, Mrs. N. W. Hickling, Mrs. P. D. G. Gain, Mrs. E. F. Hardman, Mrs. J. D. E. Shotter, Mrs. J. S. Powell, Mrs. W. A. N. Heygate, Mrs. A. T. Lupton, Mrs. Chadwell Kew, Mrs. W. B. Smith, Mrs. G. F. Forshaw, and Mrs. A. E. Hawkins.

THE Kiaochao Beach, Pootung, under the administration of the Shanghai City Government, was opened to the public on Saturday.

RAIN DOES NOT SPOIL THINGS FOR EVERYONE

The pelting rain of Friday night and early Saturday effectively washed out all field sports, and made some trouble for the buses (as shown above), but young Japan (as below) obviously found the flooded streets of Hongkew a not unattractive playground.

HOUSE FALLS IN RAIN IN NANTAO

Many Parts of the City Under Water

A young Chinese apprentice was injured on Sunday morning when a house in Nantao collapsed as a result of the heavy rain during the night. The house, an old building situated at 153 Ta Ling Road, slumped gradually, a succession of sharp cracks giving those inside time to reach the roadway before the whole structure gave way. The apprentice was not seriously hurt and the services of the ambulance were not required. The collapse caused the wall of a house next door to fall in also.

Another collapse occurred in the International Settlement shortly after 8 p.m., when a wall of House 3, Lane 97 Stonebridge Road, gave way.

Parts of City Flooded

As a result of the heavy rain early in the morning, a rainfall that was accompanied by an occasional reverberating roll of thunder, several sections of Shanghai were completely flooded for the greater part of the day.

Traffic was held up and had to be diverted in several cases, notably at Chekiang Road, between Wing On's and the new Annexe, and at Rue Ratard, just before Avenue du Roi Albert. In both cases, the water was knee-deep, and motorists deemed it wiser to switch to another route rather than risk an attempt at fording it and possible engine failure due to water.

In a large number of cases on the outside roads near Jessfield and in the low-lying districts of the French Concession—Rue Amiral Courbet and Route Tenant de la Tour, for instance —the roads were only partially flooded or at the most, flooded to a depth of two or three inches, inconveniencing pedestrian traffic only.

Two other districts to feel the full force of the flooding, however, were Yu Yuen and Tifeng Roads, by the Bubbling Well Fire Station, where the pavement was completely under water to the extent of two or three inches; and North Szechuen Road Extension, by the Public & Thomas Hanbury School for Boys, where the water lapped the edges of the top steps of the shops facing the school grounds, and occasionally ran over the top as a result of the "bow wave" of a bus passing in a cloud of spray.

Fourteen inches of water held up the heavy traffic on North Szechuen Road yesterday afternoon. The rainfall resulted in the area between the end of the tram lines on the road and the 700 yard mark on the rifle range of the S.V.C. being flooded.

Traffic was forced to slow down going through the inundated area. Motor cars especially, experienced difficulty in getting through, having to shift into second speed. Rickshaw pullers strained plodding through the district.

The annual meeting of the Shanghai Rifle Association was postponed because of the flood, it being impossible to hold a shoot under such conditions.

Central District Untouched

"There have been no floods around here," said the sergeant on duty at the Central Police Station desk that day. Thanks to the fact that the road levels on Szechuen and Hankow Roads—the Customs House block—were recently raised, this district, usually one of the first to feel the effects of a heavy fall of rain, was, comparatively speaking, dry.

No floods were reported in the Eastern district.

Despite all this, however, Shanghai is not suffering from an unprecedent fall of rain this year. The contrary is the case. The total fall of rain from January 1 this year to midnight on Sunday was only 16.76 inches, as compared with 19.85 inches, the average for the past 62 years. Yesterday's rainfall added another 2.15 inches, making the total fall of rain since Thursday 6.28 inches.

Price of Rice Also Falls

No one, that is, with the exception of farmers in the Shanghai district, whose anxiety over a threatened drought was speedily dispelled. The price of rice dropped by more than 20 cents per picul on Saturday, the price for the highest grade being only $12.50 per picul.

What is said to be a record for the Shanghai harbour occurred on Monday morning when the Hakusan Maru fouled Buoy No. 9, the third Customs buoy to be damaged in two months. The impact was of such force that the buoy sank. While manœuvreing, the Hakusan Maru also grazed the ss. Salvus, causing nominal damage, the former suffering the greatest distress.

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CHINESE INSURANCE ACT UNWISE

May Discourage Foreign Capital

SPECIAL TO THE "N.-C. HERALD"

The new Chinese Insurance Act which has just been passed by the Legislative Yuan discriminates against foreign insurance companies, Dr. Ma Ying-chu, has explained the motive of the new legislation as a precautionary measure to prevent the export of Chinese capital abroad. Mr. T. L. Shen, Chinese manager of the Manufacturers Life Insurance Company of Canada, in a press interview made a comment which has been published in several local Chinese papers—the translation of which follows:

"Life insurance is a modern institution. It eliminates the uncertainties of life, protects the home, ensures education for the children, and encourages the habit of saving.

"Life insurance companies, founded on the principle of mutual benefit to the human race, answer a very vital social need. Foreign companies have been transacting insurance business in China for over forty years. They have done a good deal of pioneering work in educating the public to the value of insurance. In view of the failure of several Chinese companies, a very large number of Chinese—including many prominent political and financial leaders—have taken out policies with foreign companies. In recent years, several Chinese insurance companies have been organized on modern lines. Due to their short history, they are still not in a position to compete with foreign firms.

A Better Way

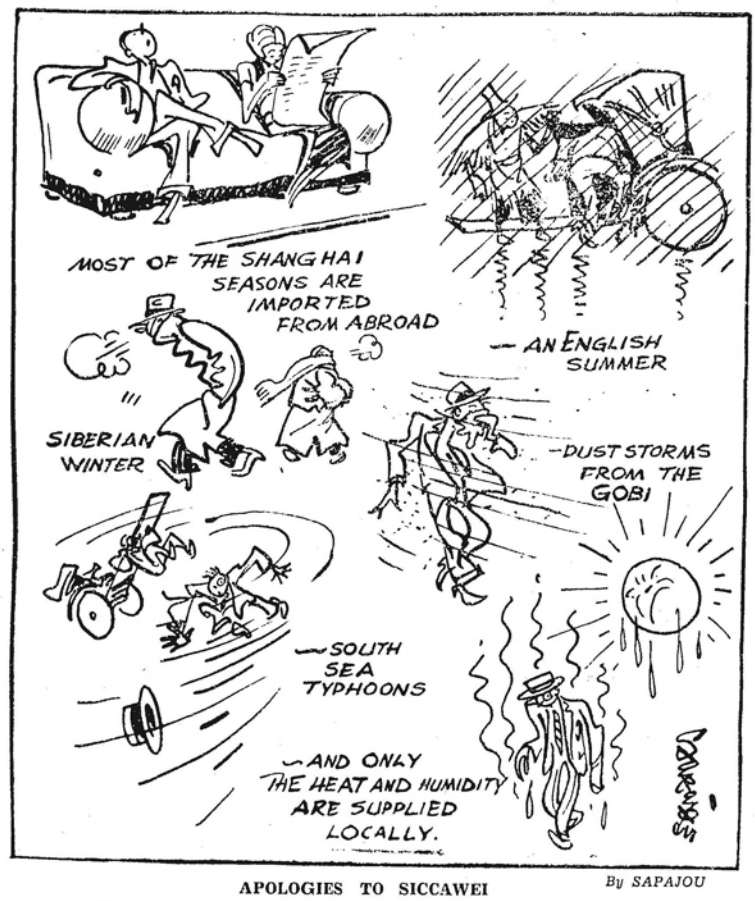
"Perhaps the Government enacted the new legislation with the protection of the new companies in mind. To my mind, it would be far better for the Government to try to strengthen the standing of Chinese companies than to limit the activities of foreign companies. I recall the days when our people used to deposit their funds with foreign banks. Since the establishment of modern Chinese banks, the Chinese are turning to Chinese banking institutions for the safekeeping of their savings. This change has taken place without interference on the part of the Government.

"Another obvious instance is the electric appliances business. The Wason and other Chinese electric companies are manufacturing excellent electric fans. Not only the Chinese are using them to their satisfaction, but they are also bought by foreigners. During the past year a large quantity even found a ready market abroad; but before the Chinese succeeded in perfecting the making of fans, the products of "Edison," "Siemens" and "G.E." companies rendered some very valuable service to those who had to work during the sweltering weather. There was no reason why China should ban the importation of foreign made fans, just because she could not produce them herself. If the Chinese insurance companies will adhere to scientific management, considering that only a small portion of the vast field has been touched, their business will grow rapidly. Once they gain the confidence of the investing public, not only will they be patronized by the Chinese, but they may also extend their activities to foreign lands.

Capital Not Exported

"As to the question of exporting capital abroad, I believe the accusation is greatly exaggerated. The interest rates in this country are much higher than those prevailing in foreign countries. It pays foreign companies to invest their revenue here because they can expect higher returns. An insurance company as a rule invests the premiums received in the currency of the country in which it operates in order to minimize losses in exchange. Although I am not in a position to vouch for other companies, the Manufacturers Life has never sent any silver funds in any form abroad, while on the other hand, very frequently the head office in Canada remits funds to China for investment purposes and to meet its obligations insofar as claims and running expenses.

"Despite the fact that no accurate statistics are available, we may safely say that the outflow of capital from China must be very small compared with the amount of foreign investments in this country. The salvation of China lies in her industrial development, without which she cannot hope to raise the standard of living of her people. But industrialization is practically impossible without the aid of foreign capital. Any action on the part of the Government to impede the free movement of capital would make the foreign investor hesitate to put money in Chinese industry. The new Insurance Act, therefore, may produce some opposite effects to those the proposers might have in mind, namely, it may retard rather than foster the industrial development of the country.



APOLOGIES TO SICCAWEI By SAPAJOU

179 DOGS KILLED IN EASTERN AREA

Campaign Against Menacing Strays Continues

The campaign to rid the International Settlement of stray dogs is progressing rapidly, a large number of potentially dangerous animals being destroyed daily. The Municipal Police, in all districts, are carrying out the orders of the Council, seeking the safeguarding of residents against semi-wild dogs and the elimination of the danger of rabies. The police of the French Concession are co-operating to make the campaign a success.

In the International Settlement the most important districts from the standpoint of the campaign are the Eastern and Western areas, both of which receive a considerable influx of uncared for dogs from Chinese territory. On June 19 the "North-China Herald" published an exclusive account of the progress made in the Western district, where 104 strays had been destroyed in 2½ days by police of the Bubbling Well, Gordon Road, Pootoo Road, and Sinza Stations. On Saturday, additional information was obtained covering activities in the Eastern district, likewise showing remarkable success in dealing with the dog evil.

Campaign Going Strong

Since the beginning of this month, 179 stray dogs have been captured and destroyed in the Eastern police division, it was learned. In the three districts comprising the division—Wayside, Yulin Road, and Yangtszepoo—the motor-catcher attached to the Yangtszepoo kennels has been operating early and late in rounding up stray and dangerous animals and in addition each station has done efficient work with the smaller, man-propelled dog-carts. The campaign is still progressing briskly. Altogether, 593 dogs have been captured in the area since the beginning of March.

In the Eastern district, as well as in other Settlement areas, summonses are being served on dog-owners who fail to comply with the Council's regulations. Licences are required for all dogs and the animals must be muzzled when in the street or other public places. Dogs found without muzzles, whether led or at large, are subject to detention at the municipal kennels. These rules apply to the "outside roads" as well as the Settlement proper.

During May, the police seized 269 dogs and thirty other dogs were handed over to the authorities. Thirty-three were sent to observation kennels, and 236 were destroyed at police kennels.

NATIONAL ECONOMIC COUNCIL

Mr. Wang Ching-wei Arrives for Meeting

The budget of the National Economic Council for the ensuing year was passed by the members of the standing committee at a meeting held in a house off Route Garnier on Monday afternoon, June 17, the expenses for the various projects being set at $11,000,000, of which $5,000,000 will be allotted to water conservancy work.

Mr. Wang Ching-wei, President of the Executive Yuan, arrived from Nanking that day specially for the meeting. He was to return to Nanking that night. Mr. Sun Fo, President of the Executive Yuan, Dr. H. H. Kung, Minister of Finance, and Mr. T. V. Soong, Chairman of the Bank of China, were among others who attended.

It has been planned that beginning from July two meetings of the council will be held monthly, one at Nanking and one at Shanghai. The expenses for last year were originally set at $21,000,000, but owing to the financial stringency of the Government, these had to be reduced. A report of the work of the organization last year was presented by Mr. Cheng Feng, secretary, at the meeting.

The projects which are being carried out by the Council include road construction, water conservancy, health work, farming, and silk and cotton industries. The three highways linking Szechuen with Kansu, Hupeh, and Shensi are near completion.

WALDEN DEPARTS FOR HANKOW

Alleged Communist to Be Tried in Hupeh Court

Joseph Walden, the Communist suspect whose efforts to avoid extradition created a considerable sensation in Shanghai, was on Monday en route to Hankow by steamer to face charges of military espionage in the High Court of Hupeh. Walden was handed over to the Bureau of Public Safety by the Settlement Police on June 19 and he left Shanghai for Hankow under a heavy guard.

The "mystery" foreigner was arrested in Avenue Foch on May 5 and for four weeks refused to divulge his name and nationality. He finally claimed to be French, but his assertion subsequently was refuted by officials of the French Government in Paris. He is believed to have conducted investigations on behalf of Chinese Communist armies in the interior.

ALL PREPARED FOR CAMP TSINGTAO

Medical Examination To Be Held on Wednesday

In a week the first group of campers will be sailing on the ss. Sandviken for Camp Tsingtao, where they are to spend five weeks swimming, fishing, hiking, and engaging in a dozen different kinds of camp activities.

Situated on a peninsula jutting out into Kiaochow Bay and surrounded with water on three sides, the camp offers unparalleled opportunities for a happy and healthy vacation for boys. Excellently equipped with a large dining and social hall, six cabins of native stone, and with a large council-ring camp-fires, the camp is without question the best-equipped in China, it is stated by the camp management.

The hard, sandy beach is ideal for baseball, cricket and night games. Swimming is unexcelled. A tennis court, basketball court, and space for deck-tennis are constantly in use by the campers.

The Laoshan mountains beckon to hikers, while nearer points of interest such as the forts become of interest even to the small campers.

Open to all Boys

Camp Tsingtao is operated by the Foreign Y.M.C.A. on a non-profit basis, and is open to all boys of good moral character in Shanghai between the ages of 10 and 18. Last year there were present boys from Shanghai, Tsinan, Tsingtao, and Peiping, representative of ten different nationalities, including Russian, Latvian, Estonian, Portuguese, Japanese, Chinese, American, British, Czechoslovakian and French.

The camp will be under the personal direction of Mr. Charles Van Winkle, Junior Division Secretary of the Foreign Y.M.C.A. Mr. Van Winkle will be assisted by Mr. H. C. Faulder, a master of the Public & Thomas Hanbury School for Boys and Assistant Director of Tsingtao Camp last year. Mr. R. H. Goodwin, a master at the Public School for Junior Boys and cub-master of the 9th Troop will handle handicraft, which includes leather work, model aeroplane making, weaving, camp-craft construction and any other things which boys may wish to make while at camp.

Mr. Chris Bojesen, Assistant Scout Master of the 7th Troop, will be present to assist with sailing and other camping and scouting activities.

Claiming that two of their employees were assaulted by three foreigners on Friday afternoon, the Chapei Bus Company has submitted a report to the Bureau of Public Safety, demanding redress.

250th ANNIVERSARY OF MISSION

Orthodox Russians Attend Special Services

At special services and meetings the large community of Orthodox Russians in Shanghai on Sunday celebrated the 250th anniversary of the foundation of the Russian Orthodox Mission in China, the observance being held in union with similar celebrations in other Chinese cities.

In Shanghai Russian churches special services were celebrated by the priests in the morning, and in the evening a well-attended meeting was held at Holy Trinity Cathedral Hall in Kiukiang Road.

About 300 persons, chiefly members of the Russian community, attended in the evening. The speakers were the Most Rev. Bishop John, the Rev. Father Eliah Wen (in Chinese), Mr. N. Y. Fomin, Mr. V. Mikhailoff (in English), Mr. P. I. Zaitzeff and Dr. D. I. Kasakoff. In relating the history of the Russian mission, Mr. Mikhailoff said as follows:—

"To-day we are celebrating the 250th anniversary of the Russian Orthodox Mission in China. I shall not attempt to submit the history of the mission in detail, but shall limit myself to a few facts which will outline that history. Two hundred and fifty years of continuous effort to propagate the Word of Truth in this country must needs be full of momentous occurrences, and the majority of these stand in close connection with historical events of China and Russia. The mission in its work has had its ups and downs, as any other institution of this order, but the mere fact that it has functioned without interruption during a quarter of a millennium tells more than any specific details about its nature.

"The phases of the mission's activities are simple. The first missionary was not sent here: during the spring of 1685 the troops of the Emperor Kang Hsi took by storm one of the forts of the Cossacks on the River Amur, Fort Albazin, and a part of the garrison of the fort were taken prisoners and sent to Peking. These prisoners were accompanied, voluntarily, by their spiritual leader, Father Maxim Leontieff. They were treated with kindness by the Emperor and were permitted to settle in the north-eastern portion of Peking and a small Chinese temple was given Father Maxim, who converted it into a chapel on June 23, 1685.

Sanctioned by Emperor

"Such was the beginning. After the death of Father Maxim, in 1712, at the insistent request of the Russian Commissioner in Peking, the Emperor of China gave permission for a special Russian Orthodox Mission to be admitted to China. The same year the Archimanirite Illarion, one priest and seven students arrived in Peking, where the students at once began to learn the Manchurian and Chinese languages.

"The mission now possesses nineteen churches, three chapels, five cemeteries, 32 missionary centres, one seminary, seventeen schools for boys and three for girls. Besides, there are several industrial institutions in Peking, a library and other establishments. With the Russian revolution all contributions from Russia ceased and thousands of refugees migrated to China because of the political trouble. These were helped by the mission in many ways. In Shanghai a Russian Orthodox Confraternity was established, and under the guidance of the mission were founded a school, a hospital, a shelter for aged women and a home for orphans. The church of the mission was burned to the ground during the last Sino-Japanese conflict, but we are now building a cathedral in the French Concession and in addition have several house chapels.

"Many literary works of China were translated by our missionaries into Russian and many holy books into Chinese. Dictionaries and philological works were written.

"Two hundred and twenty-two martyrs in the Boxer Rebellion and several missionaries slain show the spirit and the courage inspired by the mission."

Present Head

The present head of the mission is the Rev. Bishop Victor, appointed to this post by a conclave of Russian Archbishops in Yugoslavia. Early in his forties, prior to becoming a monk, Bishop Victor was a Cossack officer, saw service in the war, and came to China by way of Sinkiang, together with other Russians.

Under him are two vicars—Bishop John of Shanghai, and Bishop Juvenaly of Sinkiang, both appointed recently.

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Shanghai Stock Exchange Official Share Report with Closing Quotations, June 21, 1935

REPORT No. 25/1935 for week ending June 21, compiled by J. P. Bisset & Co. on behalf of the Shanghai Stock Exchange

Comparative Opening Cash Prices						Business Recorded During Week Closing To-day, Friday Noon						STOCK	Authorised Capital (No. of Shares)	Issued Capital (No. of Shares)	Paid up Value (or Face Value)	Fin. year ends	Last Dividends, etc.	Paid or due	Business Done Year 1934		Business Done Year 1935		Total No. of Shares Done for		Total Amount of Sales Reported Jan. 1—June 19	
This Friday Morning June 21, 1935			Last Friday Morning June 14, 1935			Highest			Lowest										Highest	Lowest	Highest	Lowest	Last Week	This Week	1934	1935
Buyers	Seller	Nom.	Buyers	Seller	Nom.	Cash	June	July	Cash	June	July															
												Banks, Finance Companies														
....	....	....	....	....	15	....	....	....	....	....	....	A. O. Finance Corp. Fed., Inc., U.S.A. "A"	200,000	121,790	$20	Dec.	Final $0.80 (Mkg. $1.40) 1933	20-2-34							
....	....	....	....	....	15	....	....	....	....	....	....	do. "B"	100,000	93,817	$20	Dec.	Final $0.80 (Mkg. $1.40) 1933	20-2-34							
....	....	14.50	....	....	14.50	....	....	....	....	....	....	Central Properties, Ltd.	5,000,000	180,000	$10	Dec.	Div. 10% 1934	18-2-35	20 July	19 Mar	....	....	....	....	347	....
....	....	1.50	....	....	1.50	....	....	....	....	....	....	China Finance Corp. Fed. Inc., U.S.A.	400,000	400,000	T5	Dec.	Spec. Tax Div. Tls. 0.27½ = $0.39, 1931	14-3-32	18 Apr	16.50 Nov	....	....	....	....	4,000	....
....	....	1.020	....	....	1.020	....	....	....	....	....	....	Hongkong & Shanghai Banking Corp.	400,000	160,000	H $125	Dec.	Final £3 (Mkg. £6 a/c 1934) Less I/T	23-2-35	4.20 June	1.80 Dec.	....	....	....	....	12,500	....
....	....	8.50	....	....	8.50	....	....	....	....	....	....	Inter. Invest. Trust Co., of China Ltd.	2,000,000	350,000	T10	Mar.	Div. $0.75, 1934 (Nil 1935)	4-5-34	1,877 May	1,605 Oct	1,605 Jan	995 May	....	....	308	100
....	....	5.25	....	....	5.25	....	....	....	....	....	....	Shanghai Loan & Investment Co., Ltd.	250,000	250,000	T5	Dec.	Div. $0.25 a/c 1934	25-2-35	13.40 Feb	11.40 July	9 Feb	9 Feb	....	....	6,900	100
....	....	23.50	....	....	23.50	....	....	....	....	....	....	Union Mobilière	100,000	100,000	$20	Dec.	8% for 1934	25-2-35	6.95 Jan	5.40 May	....	....	....	....	....	....
....	....	8.25	....	....	8.25	....	....	....	....	....	....	Yangtsze Finance Co., Ltd.	2,000,000	517,500	$20	Mar.	Divd. $0.60 1934 (Nil 1935)	9-4-35	27 Mar	24.50 Aug	24 Apr.	23 Apr	....	....	77,831	....
....	....	14	....	....	14	....	....	....	....	....	....	China Bond & Share Co., Fed. Inc., U.S.A.	200,000	100,000	$10	Dec.	Fin. 4% (Mkg. 10% 1934)	11-3-35	4-5-34	11.50 Mar	....	....	....	....	1,194	400
																			11.10 Jan	8 Sept	....	....	....	....	21,270	....
																			15.50 Oct	11.50 Mar	....	....	....	....	11,030	....
												Insurance														
....	....	18.90	....	....	18.90	....	....	....	....	....	....	American-Asiatic Underwriters (ord.)	75,000	75,000	T10	Dec.	Div. $1.40, 1934	15-5-35	22.50 Dec	21.75 May	....	....	....	....	....	....
....	....	79	....	....	79	....	....	....	....	....	....	Asia Life Insurance Co.	100,000	40,000	G $5	Dec.	Int. Div. 15% = G $0.75, 1934 (Final Nil)	27-12-34	86 Nov	85 Nov	....	....	....	....	600	....
....	....	95	....	....	95	....	....	....	....	....	....	Assurance Franco-Asiatique	70,000	70,000	F100	Dec.	Div. 5%, 1933	30-3-34	....	....	....	....	....	....	....	....
....	....	4.50	....	....	4.50	....	....	....	....	....	....	International Assurance Co., Ltd.	2,000,000	600,000	T5	Dec.	Div. $0.30, 1933 (Nil 1934)	18-5-34	6.50 Mar	5 Dec	4.75 Jan	4.60 Feb.	....	....	106,425	2,360
....	....	347.50	....	....	347	347.50	....	....	347.50	....	....	Union In. Society of Canton Ltd.	200,000	135,000	£4	Dec.	Div. £2, 1934	24-5-35	620 May	502.50 Dec	517.50 Jan	347 June	25	10	716	284
												Lands														
....	....	350	....	....	350	....	....	....	....	....	....	Anglo-French Land Invest. Co., Ltd.	25,000	19,335	T100	Feb.	Final $8.40 & Bonus $1.40 (Mkg. $15.40, 1935)	4-4-35	375 Mar	375 Mar	....	....	....	....	....	....
....	....	....	....	....	75	....	....	....	....	....	....	Asia Realty Co., Fed. Inc., U.S.A. "A" (ord.)	20,000	15,904	$100	Dec.	Div. 7% 1932	6-2-33	120 Feb	120 Feb	....	....	....	....	15	....
....	....	10	....	....	10	....	....	....	....	....	....	do. "B"	150,000	53,812	$20	Dec.	Div. 7% 1932	6-2-33	20 Feb	20 Feb	....	....	....	....	6	....
....	....	8	....	....	8	....	....	....	....	....	....	Cathay Land Co., Ltd.	500,000	480,374	T10	Dec.	Final 2% = $0.28 (Mkg. 6%, 1933) (Nil 1934)	6-4-34	9 Nov	9 Nov	....	....	....	....	6	....
....	....	7	....	....	7	....	....	....	....	....	....	China Realty Co., Fed. Inc., U.S.A.	800,000	500,000	T10	Dec.	Div. $0.15 a/c 1934	20-2-35	16.75 Jan	16.75 Jan	....	....	....	....	17,600	....
....	....	240	....	....	240	....	....	....	....	....	....	Foncière et Immobilière de Chine	20,000	20,000	T100	Dec.	Div. 10% (Tls. 10 = $13.99) 1934	14-2-35	16.30 Feb	11.90 Nov	10.90 Jan	10.60 Jan	....	....	5,800	600
....	....	10	....	....	10	....	....	....	....	....	....	Metropolitan Land Co., Ltd. "A"	500,000	39,800	T10	Dec.	Div. $0.80, 1934	28-11-34	275 June	275 June	....	....	....	....	50	....
....	....	10	....	....	10	....	....	....	....	....	....	do. "B"		155,018	T10	Sept.	Div. $0.80, 1934	28-11-34	....	....	....	....	....	....	....	....
....	....	80	....	....	80	....	....	....	....	....	....	Realty Invest. Co., Fed. Inc., U.S.A. "A"	5,000	3,648	$100	Dec.	Fin. 2½ (Mkg. 4½, 1934)	19-3-35	13.25 Feb	12 Aug	....	....	....	....	1,530	....
....	....	7	....	....	7	....	....	....	....	....	....	do. "B"	150,000	147,892	$10	Dec.	Fin. 2½ Mkg. 4½, 1934)	18-3-35	....	....	....	....	....	....	....	....
....	....	10	....	....	10	....	....	....	....	....	....	San Sing Properties, Ltd.	2,000,000	805,007	T10	Mar.	Div. 2% = $0.28, 1933	16-3-33	10 Apr	9.40 Feb	7 Feb	7 Feb	....	....	600	360
....	....	20.30	....	....	20.30	....	....	....	....	....	....	Shanghai Land Investment Co., Ltd.	1,404,000	1,404,000	T5	Dec.	Fin. 4% = $0.28 (Mkg. 10% = Tls. 0.50) 1935	25-4-35	31 Jan	23.75 Feb	24 Jan	20.50 Feb	....	....	....	....
....	....	98	....	....	98	....	....	....	....	....	....	Tientsin Land Investment Co., Ltd.	120,000	64,281	$50	Dec.	Final 2% (Mkg. 8%, 1934)	28-2-35	....	....	....	....	....	....	69,760	2,550
....	....	2.50	....	....	2.50	....	....	....	....	....	....	West End Estates, Ltd.	500,000	191,450	T10	Dec.	7% = $0.98 1926	23-4-27	5 June	4.75 Dec	....	....	....	....	5,750	....
												Docks, Wharves and Transport														
....	....	7.50	....	....	7.50	....	....	....	....	....	....	Ch. Transport & Storage Co., Inc., Shanghai	200,000	100,000	T5	Dec.										
....	....	5	....	....	5	....	....	....	....	....	....	New Eng. & Shipbuilding Works, Ltd. (ord.)	500,000	300,000	T5	Dec.	Div. Tls. 0.30 = $0.42 1932 (Nil, 1933)	14-3-33	6.80 Jan	4.75 Aug	....	....	....	....	....	....
....	....	110	....	....	110	....	....	....	....	....	....	Shanghai Dock & Engineering Co., Ltd.	55,700	55,200	T50	Apr.	Div. Tls. 4 = $5.59 for year to 30/4/34	26-7-34	148.50 Jan	115.50 Aug	....	....	....	....	16,705	....
....	....	267.50	....	....	267.50	....	....	....	....	....	....	Shanghai & Hongkew Wharf Co., Ltd., Old	80,000	50,000			Final $7.50 (Mkg. $10.50 1934)	26-4-35	358 Jan	340 Apr	....	....	....	....	1,743	....
....	....	267.50	....	....	267.50	....	....	....	....	....	....	do. New		10,000	T100	Dec.	Final $5.00 (Mkg. $7.00 1934)	26-4-35	320 June	295 May	....	....	....	....	3,125	....
....	....	13.25	....	....	13.25	....	....	....	....	....	....	Wheelock & Co., Ltd.	1,000,000	215,172	T10	Mar.	Div. $1, 1933-4 (Nil 1935)	15-6-34	15.25 June	13.25 June	13.90 Jan	13.25 Jan	....	....	127	....
																									28,446	1,000
												Utilities														
....	....	11.50	....	....	11.50	....	....	....	....	....	....	China General Omnibus Co., Ltd.	200,000	200,000	T10	Dec.										
....	....	117.50	....	....	117.50	....	....	....	....	....	....	Shanghai Gas Co., Ltd.	50,000	40,000	T50	Dec.	Div. Tls. 0.90 = $1.26 1930	25-2-31	14 May	13 Sept	12 Feb	12 Feb	....	....	4,988	191
....	....	69.50	....	....	69.50	....	....	....	....	....	....	Shanghai Telephone Company	400,000	115,142	T50	Dec.	Fin. Tls. 2 = $2.80 (Mkg. Tls. 4, 1934)	27-5-35	140 Mar	120 Dec	....	....	....	....	305	....
....	....	30	....	....	30	....	....	....	....	....	....	S'hai Electric Construction Co., Ltd. "Reg."							80 Aug	60 Feb	70 Jan	69 Feb	....	....	1,893	306
....	....	30	....	....	30	....	....	....	....	....	....	do. "Bear"	700,000	670,000	£1	Dec.	Final 9% (Mkg. 13% 1934) Coupon No. 49	16-4-35	48.75 Jan	38 Nov	31 Mar	30 Mar	....	....	2118	310
....	....	460	....	....	450	460	....	....	460	....	....	S'hai Waterworks Co., Ltd. "A"	40,236	40,236	$20	Dec.	Fin. 24/9d (Mkg. 39/9d. 1934) Coupon 42	29-3-35	50 Jan	35.50 Dec	35.50 Mar	28 Mar	....	....	29,995	9,980
....	....	19	....	....	19	....	....	....	....	....	....	do. "B"	359,280	{108,505	£1	Dec.	Fin. 10.5d (Mkg. 1/7.5d. 1934) Coupon 15	29-3-35	556 May	500 Sept	540 Jan	450 June	16	40	517	95
....	....	19	....	....	19	....	....	....	....	....	....	do. "C"		{250,000	£1	Dec.	Fin. 10.2d (Mkg. 1/7.2d. 1934) Coupon 11	29-3-35	22.50 Jan	21 Sept	21 Feb	17.75 May	....	....	934	2,114
																			23 Jan	21 Oct	20.75 Feb	20 Feb	....	....	4,201	750
												Miscellaneous														
....	....	6	....	....	6	....	....	....	....	....	....	Auto Palace Co., Ltd.	150,000	115,000	T10	Dec.	Fin. $0.60, 1933 (Nil 1934)	5-4-34	8.25 Mar	6.25 Oct	....	....	....	....	....	....
....	....	13.50	....	....	13.50	....	....	....	....	....	....	Bakerite Co., Fed. Inc., U.S.A. "B"	50,000	49,980	$10	Dec.	Final $0.30 (Mkg. $0.80, 1934)	11-3-35	16.25 June	14.50 Mar	15 Jan	14.50 Jan	....	....	8,671	....
....	....	77	....	....	77	....	....	....	....	....	....	B.A.T. (Securities) Co., Ltd. "A" (ord.)	190,000	88,662	$100	Jan.	Final Div. 34% (Mkg. 64% a/c 31-1-35)	12-2-35	90 July	83 Jan	83 Jan	77 Mar	....	....	2,520	400
....	....	19.50	....	....	19.50	....	....	....	....	....	....	Caldbeck, Macgregor & Co., Ltd. (ord.)	200,000	140,000	T10	Dec.	Divd. $1.40 for 1934	28-3-35	21.50 July	20 Dec	21 Jan	21 Jan	....	....	....	110
....	....	7	....	....	7	....	....	....	....	....	....	China Aerocrete Co., Ltd.	200,000	20,000	T10	Dec.	Div. Tls. 1 = $1.40 for 1930	1-4-31	....	....	....	....	....	....	490	300
....	....	14.75	....	....	14.75	....	....	....	....	....	....	China Import & Export Lumber Co., Ltd.	500,000	200,000	T10	Dec.	Div. $1.15% 28-2-34	31-5-34	15 Sept	14.25 June	....	....	....	....	....	....
....	....	9.50	....	....	9.50	....	....	....	....	....	....	Chinese Eng. & Mining Co., Ltd. "Bearer"	2,000,000	1,960,000	£1	June	Int. 2½% 1932-33 Free of I/T Coupon No. 42 (F/NIL)	5-5-33	20.25 Feb	13.50 Dec	13 Jan	9.50 May	....	....	3,000	....
....	....	25	....	....	25	....	....	....	....	....	....	Chosen Corporation, Ltd.	750,000	500,000	£1	June	Final 4½d (Mkg. 3/- a/c 1934)	12-10-34	....	....	....	....	....	....	9,520	964
....	....	45	....	....	45	....	....	....	....	....	....	Culty Dairy Co., Ltd.	40,000	40,000	T10	June	Div. $3, 1933-34	31-10-34	62 Feb	60 Dec	....	....	....	....	....	....
....	....	45	....	....	45	....	....	....	....	....	....	Champ Course Francais French	30,000	30,000	$20	Dec.	Div. $4.50 a/c 1934	1-3-35	68 Jan	60 Nov	....	....	....	....	4,150	....
....	....	90	....	....	90	....	....	....	....	....	....	(French Race Course) non-French				Dec.	Div. $4.50 a/c 1934	1-3-35	78 Apr	60 Oct	60 Jan	60 Jan	....	....	100	....
....	....	19	....	....	19	....	....	....	....	....	....	do. Founders		6,490	Free	Dec.	Div. $4.62 a/c 1934	1-3-35	155 June	120 Nov	120 Jan	120 Jan	....	....	200	15
....	....	4.75	....	....	4.75	....	....	....	....	....	....	Hall & Holtz, Ltd.	28,000	26,342	$20	Feb.	Div. 5% = $1, 1934-35	30-5-35	20 May	25 Nov	....	....	....	....	155	5
....	....	21	....	....	22	....	....	....	....	....	....	Hongkong & Shanghai Hotels, Ltd.	1,500,000	1,193,867	H $10	Dec.	Div. H.$0.40 on Old: H.$0.20 on New, 1932 (Nil 1934)	22-3-33	6.40 Jan	4.90 Nov	....	....	....	....	745	....
....	....	50	....	....	50	....	....	....	....	....	....	Kelly & Walsh, Ltd.	75,000	45,000	$10	Feb.	Fin. $1-(Mkg. $1.50 a/c 28-2-1935)	18-6-35	20 Mar	20 Mar	....	....	....	....	5,200	....
....	....	10	....	....	10	....	....	....	....	....	....	Lane, Crawford & Co., Ltd.	2,500	2,500	$100	Feb.	Bonus $6, 1932	27-6-32	60 Feb	60 Feb	22 Feb	20 Feb	....	....	150	500
....	....	1	....	....	1	....	....	....	....	....	....	Mark L. Moody, Fed. Inc., U.S.A.	100,000	30,000	T10	Dec.	Div. 7½% = $0.35, 1934	11-3-35	10.70 Oct	10.60 Aug	....	....	....	....	60	....
....	....	5	....	....	5	....	....	....	....	....	....	Millington, Ltd.	300,000	110,000	$4	Dec.			2.25 Apr	1.50 Oct	1 Feb	1 Feb	....	....	100	500
....	....	4.29	....	....	4.29	....	....	....	....	....	....	Office Appliance Co., Ltd.	80,000	60,000	T8.50	Dec.	Div. Tls. Tls. 0.40 = $0.56, a/c 1932	21-4-33	....	....	....	....	....	....	....	....
....	....	10	....	....	10	....	....	....	....	....	....	S'hai Exploration & Development Co., Ltd.	600,000	597,351	T2.50	Dec.	2nd Quarterly Div. Tls. 1.50 = $2.10, 1935	12-6-35	5.40 Oct	4.50 Feb	....	....	....	....	....	....
....	....	3.35	....	....	3.35	....	....	....	....	....	....	S'hai Vacuum Cing. & Storage Co., Ltd.	35,000	23,000	T10	Dec.	Div. 10% (Tls. 1 = $1.40), 1934	27-2-35	....	....	....	....	....	....	298,518	....
....	....	15	....	....	15	....	....	....	....	....	....	S'hai Waterworks Fittings Co., Ltd.	500,000	301,765	T1	Dec.	Div. 10% (= $0.14) 1934	15-4-35	3.70 Jan	3.10 Aug	13 Jan	13 Jan	....	....	....	200
....	....	1	....	....	1	....	....	....	....	....	....	Union Brewery, Ltd.	500,000	200,000	T10	Dec.	Div. $1.25, 1933	27-5-34	46.25 Oct	15.50 Oct	3.60 Feb	3.50 Mar	....	....	6,750	5,034
												United Theatres, Inc.	1,000,000	600,000	T5	....	....	....	1.50 May	1.25 Aug	....	....	....	....	8,800	....
																									7,000	....
												Bonds and Preferences														
....	....	135	....	....	135	....	....	....	....	....	....	American-Asiatic Underwriters, Cum. Pref. 8%	5,000	5,000	T100	Dec.	4% = $5.59 for 1 year ended Dec. 31, 1934	31-12-34								
....	....	125	....	....	125	....	....	....	....	....	....	do. Cum. Pref. 7%	7,500	7,500	T100	Dec.	3½% = $4.89 for 1 year ended 31-3-35	1-4-35	135 Aug	130 Aug	129 Jan	129 Feb	....	....	1,900	23
....	....	....	....	....	90	....	....	....	....	....	....	Asia Realty Co., Pref. "A" 8%	10,000	10,000	$100	Dec.	8% for year 1934	31-12-34	98 Sept	95 Mar	....	....	....	....	187	....
....	....	13	....	....	13	13	....	....	13	....	....	do. Pref. "B" 6%	50,000	16,752	$100	Dec.	3% for half year ended Dec. 31, 1934	31-12-34	89 Aug	80 May	....	....	....	....	138	....
....	....	4	....	....	4	....	....	....	....	....	....	Calbeck, Macgregor & Co., Ltd. 8% cum. pref.	100,000	80,000	T10	Dec.	Div. 8% = $1.12 for 1934	28-3-35	20 Oct	18.75 Apr	16 Feb	13 June	500	200	1,325	4,800
....	....	93	....	....	93	85	....	....	85	....	....	Ch. Finance Corp. Fed. Inc., U.S.A. (Pref.) 8%	600,000	205,125	T5	Dec.	Quarterly Div. Tls. 0.10 = $0.14, 1933	30-12-33	5 Apr	4.10 Dec	....	....	....	....	1,545	....
....	....	86	....	....	86	....	....	....	....	....	....	City Loan 7% 1932 (20 years)	$6,000,000	$6,000,000	$100	....	3½% for half year ended June 1934	15-6-35	103.75 Apr	94 Dec	96.50 Jan	85 June	....	1,800	$40,600	$1,000
....	....	142.50	....	....	142.50	142.50	....	....	142.50	....	....	City Loan 7% 1934 (12 years)	$3,500,000	$3,500,000	$100	....	3½% for half year ended June 1934	Pending	100.75 Aug	99 Dec	95 Jan	86.50 Jan	....	....	....	46,600
....	....	5	....	....	5	....	....	....	....	....	....	Ewo Cotton Mills, Ltd. 8% cum. pref.	10,000	9,000	T100	Dec.	Div. Tls. 8 = $11.19, 1934	3-4-35	200 Feb	180 May	158 Feb	140 Apr	25	56	478	737
....	....	4	....	....	4	....	....	....	....	....	....	Ewo Cng. & Shiping Works, Ltd. 8% cum. pref.	500,000	300,000	T5	Dec.	Tls. 0.40 = $0.0.56, 1933(1934 Nil)	4-4-34	8.50 Jan	7 Oct	6.60 Jan	6.60 Jan	....	....	8,289	125
....	....	109	....	....	113.50	113.50	....	....	109	....	....	Realty Invest. Co., 7½% cum. pref. "A"	400,000	106,238	$5	Dec.	Quarterly Div. 7½% pa.	29-3-35	....	4.90 Oct	....	....	....	....	....	....
....	....	69	....	....	69	....	....	....	....	....	....	S'hai Power Co. Tls. 6 cum. Pref. stock	230,000	220,000	T100	Dec.	2nd Quarterly Div. Tls. 1.50 = $2.10, 1935	Pending	142.75 Sept	132.50 Dec	134 Jan	109 June	117	348	17,737	8,073
....	....	14	....	....	15.50	14	....	....	14	....	....	Shanghai Tug & Lighter Co., Ltd. 7% pref.	10,000	10,000	T50	Dec.	Tls. 3.50 = $4.89 1934	29-3-35	80 Mar	74.75 Jan	69 Apr	69 Apr	....	....	345	30
....	....	15	....	....	15	13.50	....	....	13.50	....	....	S'hai Waterworks Co., Ltd. 7% cum. pref.	100,000	100,000	T10	Dec.	3½% = $0.49 for half year ended 31-12-34	29-3-35	17.60 Jan	16 Dec	16.25 Feb	14 June	....	1,000	242	1,190
												do. 6½% cum. pref.	100,000	100,000	T10	Dec.	3½% = $0.45 for half year ended 31-12-34	29-3-35	17.50 Mar	15.50 Dec	16 Jan	13.50 June	....	150	1,780	4,755
												Cottons														
....	....	8.50	....	....	8.50	....	....	....	....	....	....	Ewo Cotton Mills, Ltd., Ordinary	2,000,000	1,000,000	T5	Dec.	Div. $0.30 1934	3-4-35	13.50 Jan	8.90 Dec	9.40 Jan	8.40 Apr	....	....	102,588	16,809
....	....	66.25	....	....	66.25	....	....	....	....	....	....	Shanghai Cotton Mfg. Co., Ltd.	240,000	120,000	$50	Oct.	Div. $2.50 & Bonus $1.25 for half year ended 30-4-35	30-5-35	76.50 Mar	73 June	74 Jan	70 Apr	....	....	1,950	300
....	....	41.25	....	....	41.25	....	....	....	....	....	....	do. (New)		120,000	½ pd. $25	....	Div. $1.25 & Bonus $0.625 for half year ended 30-4-35	30-5-35	46.75 Nov	42.25 June	....	....	....	....	....	....
....	....	9	....	....	9	....	....	....	....	....	....	Zoong Sing Cotton Mills, Ltd.	200,000	150,000	T10	June	Div. $0.60 a/c 1933-34	8-10-34	9.50 Oct	9.50 Oct	9 June	9 June	200	....	1,100	200
												Plantations														
....	....	12.50	....	....	12.50	....	....	....	....	....	....	Alma Estates, Ltd.	70,000	70,000	£1	Sept.	Int. $5.25 a/c 1935 ($1, 1934)	Pending	15 Sept	....	....	....	....	....	....	....
....	....	4.85	....	....	4.85	....	....	....	....	....	....	Anglo-Dutch (Java) Plantations Ltd.	400,000	350,000	10s. (T4)	Dec.	Div. $0.15, 1934	24-4-35	8.80 Sept	2.30 Jan	....	....	....	....	9,530	....
....	....	7.75	....	....	7.75	....	....	....	....	....	....	Anglo-Java Estates, Ltd.	500,000	496,000	10s.	Dec.	Fin. $0.25 (Mkg. $0.55, 1934)	25-4-35	12.25 Oct	4.40 Jan	8.50 Jan	7.90 Mar	....	....	55,717	....
....	....	2.25	....	....	2.25	....	....	....	....	....	....	Ayer Tawah Rub. Plantation Co., Ltd.	500,000	333,499	T1	Dec.	Int. $0.10 a/c 1935 ($0.35 a/c 1934)	Pending	4.75 Aug	2.50 Feb	2.70 Jan	2.70 Jan	....	....	84,687	3,925
....	....	0.45	....	....	0.45	....	....	....	....	....	....	Batu Anam (Johore) Rub. Ests., Ltd.	960,000	960,000	T0.10	Dec.	Int. Div. $0.03 a/c 1934, Final Nil	7-11-34	0.78 Sept	0.38 Mar	0.50 Jan	0.50 Jan	....	....	9,531	3,400
....	....	1.50	....	....	1.50	....	....	....	....	....	....	Bute Plantations (1913), Ltd.	500,000	353,698	T1	Dec.	Div. $0.07 1934	22-3-35	2 Sept	0.60 Jan	....	....	....	....	180,666	2,000
....	....	0.60	....	....	0.60	....	....	....	....	....	....	Chemor United Rubber Co., Ltd.	1,200,000	800,000	T0.10	Dec.	Fin. $0.01 (Mkg. $0.05, 1934)	28-3-35	0.96 Sept	0.36 Jan	0.71 Jan	0.70 Feb	....	....	90,240	....
....	....	0.50	....	....	0.50	....	....	....	....	....	....	Cheng Rubber Estates, Ltd.	1,095,850	1,051,438	T0.10	June			0.70 Oct	0.36 Jan	0.55 Jan	0.55 Jan	....	....	150,590	15,500
....	....	2.88	....	....	2.88	....	....	....	....	....	....	Consolidated Rub. Estates (1914), Ltd.	500,000	484,837	T0.75	Dec.	Fin. $0.12 (Mkg. $0.22, 1934)	17-4-35	4.25 Aug	0.97½ Jan	....	....	....	....	525,028	5,000
....	....	3	....	....	3	....	....	....	....	....	....	Dominion Rubber Co., Ltd.	350,000	200,000	T1	Dec.	Final $0.07 (Mkg. $0.17 1934)	22-3-35	5.20 Aug	0.80 Jan	....	....	....	....	198,649	....
....	....	11.50	....	....	11.50	....	....	....	....	....	....	Gula-Kalumpong Rub. Ests. Ltd.	750,000	665,000	£1	Dec.	Div. 5% 1934, less I/T 4/6d. in £ (Coupon 31)	27-3-35	17 May	13.25 Oct	12.50 May	12.50 May	....	....	134,686	....
....	....	1.35	....	....	1.35	....	....	....	....	....	....	Java-Cons. Rub. & Coffee Ests. Ltd.	850,000	750,000	2/-	Dec.	Div. $0.05, 1934	16-4-35	2.30 Sept	0.80 Jan	1.60 Jan	1.40 Feb	....	....	98	380
....	....	13	....	....	13	....	....	....	....	....	....	Kwantung Rubber Plantation Co., Ltd.	500,000	500,000	T10	Dec.	Div. $0.50, 1934	15-4-35	9.50 Sept	3.50 Jan	3.60 Jan	3.50 Jan	....	....	1,800	1,000

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Rubber Output Statistics

Company	Paid up Capital	Output last fin. year: Year ended	Output last fin. year: Quantity (lbs.)	Output for month of May 1935 (lb.)	Output from start of last and present financial years up to and including May: Last Fin. Year	Output from start of last and present financial years up to and including May: Present Fin. Year*
Alma	$ 881,119	30-9-34	488,635	37,000	319,000	320,000 (8)
Anglo-Dutch	„ 2,392,797	31-12-34	1,453,300	102,700	804,500	579,700 (5)
Anglo-Java	„ 2,927,288	31-12-34	3,238,100	203,000	1,523,000	1,252,500 (5)
Ayer Tawah	„ 469,229	30-9-34	754,500	50,000	516,200	435,000 (8)
Batu Anam	„ 134,266	31-12-34	450,500	34,000	165,000	172,000 (5)
Bute	„ 494,682	31-12-34	367,435	36,300	132,935	179,000 (5)
Chemor United	„ 111,888	31-12-34	430,540	40,000	161,000	188,000 (5)
Cheng	„ 147,054	30-6-34	504,500	32,000	460,000	411,000 (11)
Consolidated (1914) ..	„ 499,091	31-12-34	1,109,500	92,500	461,500	458,700 (5)
Dominion	„ 279,720	31-12-34	677,024	50,090	283,031	265,661 (5)
Gula-Kalumpong ..	£ 665,000	31-12-34	3,110,000	—	—	—
Java Consolidated ..	$ 909,249	31-12-34	974,752	57,700	449,100	339,300 (5)
Kapayang	„ 206,993	31-12-34	197,500	13,000	80,000	69,000 (5)
Kota Bahroe (1921) ..	„ 466,249	30-6-34	659,340	53,490	606,220	591,690 (11)
Kroewock	„ 307,692	31-12-34	1,037,250	66,500	499,000	389,600 (5)
Langkat	„ 2,552,443	31-10-34	1,070,427	79,000	610,540	508,000 (7)
Padang	„ 699,301	30-4-34	422,211	37,512	22,442	22,442 (1)
Permata	„ 316,902	31-10-34	133,339	6,862	81,114	73,988 (7)
Repah	„ 188,811	31-12-34	601,500	37,000	249,000	204,000 (5)
Samanggu	„ 141,399	30-9-34	318,009	22,000	197,000	217,000 (5)
Semambu	„ 125,874	31-12-34	361,300	25,000	144,000	122,000 (5)
Senawang (1921) {Ord. / {Pref.	„ 206,913	31-1-34	579,400	42,000	174,000	171,000 (4)
Shanghai Kedah ..	„ 419,580	30-9-34	812,960	58,220	575,280	497,240 (8)
S'hai Kelantan (1925) ..	„ 195,804	31-12-34	368,784	27,040	145,424	124,395 (5)
Shanghai Klebang ..	„ 438,620	31-12-34	157,514	11,000	66,000	52,000 (5)
Shanghai Malay {Ord. / {Pref.	„ 802,517	31-12-34	591,085	44,000	214,000	209,000 (5)
Shanghai Pahang ..	„ 316,587	30-6-34	385,600	30,700	358,300	343,900 (11)
Shanghai Seremban ..	„ 454,545	31-12-34	320,120	20,000	125,000	110,000 (5)
Shanghai Sumatra ..	„ 538,154	31-10-34	689,000	35,000	399,000	322,000 (7)
Sua-Manggis	„ 377,622	31-12-34	217,000	14,500	79,650	76,900 (5)
Sungala	„ 251,790	31-3-35	238,333	22,020	28,800	42,200 (2)
Sungei Duri	„ 475,524	30-6-34	482,723	41,000	444,500	477,000 (11)
Tanah Merah (1916) ..	„ 1,818,182	31-3-35	1,108,941	83,542	185,554	174,089 (2)
Tebong	„ 559,441	31-1-34	1,442,000	93,000	445,000	380,000 (4)
Ziangbe	„ 1,440,619	31-12-34	1,432,577	111,100	678,000	524,000 (5)

*Numbers in brackets indicate the number of months under comparison in said totals

Rubber Prices

June	14th	15th	17th	18th	19th	20th
London Spot	6.1/8d	6.1/8d	6.3/16d	6.1/16d	6.1/16d	6d
July/Sept.	6.3/16d	6.3/16d	6.1/4d	6.1/8d	6.1/8d	6.1/16d
Oct./Dec.	6.5/16d	6.5/16d	6.3/8d	6.5/16d	6.5/16d	6.3/16d
Market	Quiet but closed steady	Steady quiet	Steady	Very quiet	Steady	Dull
Singapore Spot ..	20.9/16	20.1/2	20.5/8	20.3/4	20.1/2	20.3/8
July/Sept. ..	21.3/8	21.1/4	21.3/8	21.3/8	21.1/8	21
Market	Quiet	Dull	Steady	Quiet	Dull	Dull
New York Futures ..						
July	12.78	12.83	12.85	12.68	12.65	12.53
September ..	12.90	12.97	12.99	12.81	12.79	12.66
December	13.11	13.16	13.18	13.02	13.01	12.88
January	13.18	13.24	13.27	13.08	13.07	12.97

Forward Settlements for 1935

June 25th, Tuesday
July 30th, Tuesday
August 27th, Tuesday
September 24th, Tuesday
October 29th, Tuesday
November 26th, Tuesday

Debentures

OPENING PRICES 21-6-35	Buyers	Sellers	Nominal	Last Done: Price	Last Done: Date	Loan Amount outstanding	Interest payable at end of	Total amount of sales reported Jan. 1—June 19: 1934	Total amount of sales reported Jan. 1—June 19: 1935
						Tls.		Tls.	Tls.
Shanghai Municipal Council 6% 1925 (10/30) Tls.	..	..	97	97	19-6-35	2,000,000	June-Dec.	99,100	9,800
„ „ „ 6% 1926 („) „	..	..	97	97	7-6-35	1,850,000	do.	49,300	46,800
„ „ „ 5% 1930 („) „	..	..	100	98	21-6-35	1,750,000	do.	228,600	64,500
„ „ „ 5% 1934 (10/30) „	..	..	95	95	19-6-35	$7,000,000	do.	554,500	596,700
French Municipal Council 6% 1911 („) T	..	..	100	100	21-12-33	304,900	May-Nov.	—	—
„ „ „ 6% 1914 („) „	..	..	100	100	3-5-34	457,500	June-Dec.	6,500	—
„ „ „ 6% 1914 („) „	..	..	100	100½	31-5-34	316,200	do.	3,500	—
„ „ „ 8% 1921 („) „	..	..	100	100	13-5-35	1,956,300	do.	10,660	11,900
„ „ „ 6% 1923 („) „	..	..	96½	102½	3-10-34	800,000	May-Nov.	4,900	—
„ „ „ 7% 1924 („) „	..	..	98½	98½	11-6-35	800,000	Mar.-Sept.	15,000	45,100
„ „ „ 6½% 1925 (20/30) „	..	..	95	95	20-6-35	2,000,000	Apr.-Oct.	20,000	10,500
„ „ „ 6% 1926 („) „	..	..	95	97	4-6-35	1,000,000	Jan-July	22,000	22,000
„ „ „ 6% 1930 (10/25) „	..	..	98½	98	25-4-35	2,000,000	Apr.-Oct.	10,000	1,200
„ „ „ 6% 1931 („) „	..	..	95	95	7-6-35	2,000,000	Feb.-Aug.	171,500	18,300
„ „ „ 6% 1933 (10/30) „	..	..	95	95	3-6-35	2,000,000	Mar.-Sept.	72,400	5,800
„ „ „ 5% 1934 („) $	..	..	96	96	5-4-35	$5,000,000	July-Jan.	503,300	40,100
American Club 7% 1933 (5/20) T	..	..	100	100	25-1-35	750,000	1/4-1/10	12,400	23,900
Anglo-French Land Invest. Co. 7% 1931 (10/20) „	..	..	99	99	25-1-35	1,000,000	June-Dec.	40,000	5,000
Asia Realty Co. 6% 1930 (10/30) c	..	..	90	90	7-2-35	720,800	1/3-1/9	} 1,402,400	17,800
„ „ „ 6% 1930 (10/30) r	..	..	90	90	7-2-35	3,000,000	1/4-1/10		
Cathay Land Co. 6% 1925 (4/20) „	..	..	98	98	7-2-35	3,000,000	June-Dec.	130,500	10,000
„ „ „ 6% 1932 (10/20) „	..	..	98	98	31-1-35	1,000,000	do.	28,000	—
„ „ „ 6% 1933 („) $	..	..	98	98	11-2-35	$1,500,000	do.	163,000	4,000
Central Properties 5½% 1934 (15) „	..	..	94	94	25-1-35	$18,000,000	do.	1,585,000	18,000
China Realty Co. 8% 1930 (5/10) T	..	..	50	50	20-6-35	3,000,000	1/4-1/10	} 781,000	107,900
„ „ „ 8% 1931 („) „	..	..	50	50	20-6-35	4,500,000	1/4-1/10		
China Transport 8% 1931 (4/20) „	..	..	100	100	15-5-34	600,000	June-Dec.	7,000	—
Columbia Country Club 7% 1933 (1/12-20) „	..	..	100	102	19-12-34	350,000	do.	2,500	—
Country Club 6% 1921 (Perp.) „	..	..	103	103	25-10-34	122,100	do.	2,500	—
Foncière & Immobilière 6% 1930 (10/15) „	..	..	102½	105	9-10-34	1,000,000	do.	} 320,000	—
„ „ „ 6% 1933 (10/15) „	..	..	102½	105	9-10-34	1,000,000	do.		
„ „ „ 6% 1934 („) $	..	..	102	98	10-1-35	$2,000,000	do.	59,000	1,000
French Club 7% „ T	..	..	97	97	11-6-35	500,000	do.	41,500	500
International Investment Trust 6% 1930 (10/25) „	..	..	85	93½	12-1-35	2,000,000	1/4-1/10	} 113,100	5,000
„ „ „ 6% 1931 („) „	..	..	88	93½	12-1-35	1,000,000	1/4-1/10		
G. E. Marden & Co. 6% 1930 (10/15) „	..	..	95	95	22-3-35	500,000	June-Dec.	10,000	6,000
Metropolitan Land Co. 6% 1933 (10/20) „	..	..	99	93	27-3-35	$2,000,000	do.	647,300	6,500
Race Club 6% 1934 (10/25) „	..	..	95	95	3-5-35	$2,000,000	Feb.-Aug.	256,800	112,400
Realty Investment Co. 6% 1934 (10/30) „	..	..	96	102	6-11-34	$500,000	June-Dec.	—	—
S'hai Land Investment Co. 6% 1926 (20/30) T	..	..	92	92	17-6-35	500,000	Mar.-Sept.	11,500	22,000
„ „ „ „ 5% 1930 (15) „	..	..	92	99	9-11-34	5,000,000	31/5-30/11	—	—
„ „ „ „ 6% 1931 (10/20) „	..	..	100	99	15-2-35	3,000,000	June-Dec.	71,500	84,000
„ „ „ „ 6% 1933 (5/20) „	..	..	99	105	21-2-34	1,000,000	do.	12,000	4,000
„ „ „ „ 5% 1934 (5/20) $	..	..	99	96	6-6-35	$2,000,000	Apr.-Oct.	—	2,000
Shanghai Power Co. 5½% 1933 (10/40) „	..	..	77½	77½	21-6-35	$88,000,000	10/2-10/8	12,133,900	3,957,980
Shanghai Telephone Co. 6% 1932 (10/25) c	..	..	82½	82½	21-6-35	5,000,000	1/2-1/8	} 482,800	119,500
„ „ „ 6% 1932 (10/25) r	..	..	82½	82½	21-6-35		1/2-1/8		
„ „ „ 6% 1933 (9/24) $	..	..	82½	82½	21-6-35	$10,000,000	1/2-1/8	} 2,570,100	570,000
„ „ „ 6% 1933 (9/24) r	..	..	82½	82½	21-6-35		1/2-1/8		
Tientsin Land Investment Co. 7% 1929 (12/22) T	..	..	102	103½	22-12-33	1,422,100	June-Dec.	—	—
Shanghai Waterworks Co. 6% 1925 (10/30) „	..	..	100	105	21-6-34	500,000	do.	—	—
„ „ „ 6% 1932 („) „	..	..	100	100	24-5-35	2,800,000	do.	43,400	614,900

TO-DAY'S EXCHANGE:
Hongkong & Shanghai Bank Official Selling Rates (T/T) Opening 21st June, 1935
London £1 at Exch. 1/7½ = $12.15 New York G$100 at Exch. 40-9/16 = $246.53

Chinese Government External Bonds

	London Nominal Prices. 13th June	20th June
5 per cent Reorg. Loan 1913, British Issue	£ 96 10 0	£ 94 10 0
4½ „ Gold „ 1908	£ 99 0 0	£ 99 0 0
5 „ Gold „ 1912	£ 82 10 0	£ 81 10 0
5 „ Gold $ Loan 1925, stamped (Per G$500) ..	£ 94 10 0	£ 93 0 0
5 „ Shanghai-Nanking Railway Bonds	£ 80 0 0	£ 80 0 0
5 „ Shanghai-Hangchow-Ningpo Railway Bonds ..	£ — —	£ — —
5 „ Hukuang Railway Bonds	£ 46 0 0	£ 44 0 0
5 „ Lung Tsing U Hai Railway Bonds	**£ 11 0 0	£ 15 10 0

** possible mutilation

Company's Notices

The Shanghai Gas Co., Ltd.—The Register of Members will be closed from June 21st to 27th, both days inclusive.

G. E. Marden & Co., Ltd.—The Debenture Registers will be closed from June 22nd to 30th, both days inclusive.

Fonciere Et Immobiliere De Chine—The Debenture Registers will be closed from June 21st to 30th, both days inclusive.

Shanghai Municipal Council Debentures.—The Transfer Books of the Municipal Loans will be closed from June 15th to 30th, both days inclusive.

The Ayer Tawah Rubber Plantation Co., Ltd.—An Interim dividend has been declared at the rate of $0.10 per share to be paid to shareholders on June 24th, 1935. The Transfer Books will be closed from June 17th to 24th, both days inclusive.

Lane, Crawford & Co., Ltd.—The Annual General Meeting of the shareholders will be held at No. 23-25 Nanking Road, Shanghai, on Friday, June 28th at 5.30 p.m. The Transfer Books will be closed from June 28th to 28th, both days inclusive.

The Shanghai Waterworks Co., Ltd.—The Debenture Transfer Register will be closed from June 18th to 30th, both days inclusive.

Central Properties, Ltd.—The Debenture Transfer Register will be closed from June 17th to 30th, both days inclusive.

The Shanghai Land Investment Co., Ltd.—
31/12/1931 6 per cent Debentures 6/1/1933 6 per cent Debentures
The Register of Transfers of Debentures will be closed for the above Issues from June 15th to 29th, both days inclusive.

Alma Estates, Ltd.—An Interim Dividend has been declared at the rate of $0.25 per share to be paid to Shareholders on record on June 25th. The Transfer Books will be closed from June 19th to 25th, both days inclusive.

Wheelock & Co., Ltd.—The 4th Annual General Meeting of Shareholders will be held at No. 2 French Bund, Shanghai, on Friday, June 28th at 4.30 p.m. The Transfer Books will be closed from June 24th to 28th, both days inclusive.

The Cathay Land Co., Ltd.—The Debenture Transfer Register will be closed from June 20th to 30th, both days inclusive.

The Anglo-French Land Investment Co., Ltd.—1932 Issue 6 per cent Debentures. The Register of Transfers of Debentures will be closed from June 24th to 29th, both days inclusive.

Shanghai Power Co.—The Regular quarterly dividend of Tls. 1.50 per share on the Tls. 6 Silver Preferred Stock has been declared for payment July 3rd to stockholders of record June 15th. The Transfer Books will not be closed.

Metropolitan Land Co., Ltd.—The Debenture Register will be closed from June 24th to 30th, both days inclusive.

Share Report

Share Market Report :—(Up to Friday noon). A little more interest was displayed during the past week and the turnover was nearly double that of the preceding week, the figures being 1,805 shares as against 983. Shanghai Power 6% Prefs. continued to fall and touched $109 after opening the week @ $113.50. S.W.W. 7% Prefs. were in demand and business was booked @ $14 ; S.W.W. "A" shares came to business @ $460 with the supply not equalling the demand. Union Insurance of Canton were placed @ Hk. $347.50 : Caldbeck 8% Prefs. @ $13 and Ewo 8% Prefs. @ $142.50.

The Rubber market has been quiet but steady during the past week with Singapore "Spot" remaining practically unchanged at 20½ cts. Two transactions were recorded, 10,000 Kroewocks at 60 cts. and 20,000 Kelantans at 23 cts. The undertone of the market is inclined to be rather optimistic.

The Debenture market recorded a market increase as regards the amount of business transacted, the total amount for the past week was $237,800 as against $102,000 for the previous week. Shanghai Power 5½% fell from $79 to $77.50 and at this figure the demand was not met. Telephone 6% were down from $85 to $82.50 : S.M.C. 5% 1934 were steady @ $95 : China Realty 8% to the extent of Tls. 41,000 were booked @ Tls. 50 ; S.M.C. 7% 1927 came out @ Tls. 98 and F.M.C. 6½% 1925 @ Tls. 95.

Rubber Review, Chinese Government Bonds, etc.

Rubber Review :—The following information has been courteously supplied by Reuters :—

London, June 14 :—

"Business on the rubber market during the past week was quiet,but a steady, even firm, undertone was in evidence, chiefly owing to American support. The trade also showed some interest, but speculation proved to be almost non-existant.

The heavy May shipments from the Netherlands-Indies had a temporarily depressing effect on the market. The news of a further increase in the native export duty cheered the market which, however, was slightly disappointed by the American questonnaire figures on consumption being below expectations."

London and Liverpool stocks of rubber on June 15th totalled 170,087 tons, showing an increase of 1,019 tons during the week. Deliveries during the week totalled 1,131 tons compared with 1,239 tons for the previous week. The following are the usual weekly comparative prices :—

	London Spot	London Oct./Dec.	Singapore Spot	Singapore Oct./Dec.	New York Futures July	New York Futures Sept.	New York Futures Dec.
June 13	6½	6⅜	20¼	21½	12.80	12.91	13.13
June 20	6	6.3/16	20⅛	21	12.53	12.66	12.88
		Dull		Dull			

Chinese External Loans :—The London market has been very erratic during the past week owing to the disturbing news coming from the North. British Reorgs. dropped from £96½ to £95, then recovered at the end of the week to £94½ : Crisps down from £82½ to £73 then back again to £81½ : Shanghai-Nanking Railway from £80 to £74, then recovered to £80 : Hukuang Railway from £46 to £39½ then back to £44.

The information above given, though not guaranteed, has been obtained from sources believed to be reliable.
Agents and Secretaries of Companies are requested kindly to notify J. P. BISSET & CO. 12 The Bund, Shanghai (Compilers of this Report on behalf of the Shanghai Stock Exchange) of any errors or omissions.

The Call of Camp Tsingtao

Stealing a swim from the surf spray is one of the delights of warm summer days for the youths at Camp Tsingtao.

Baseball, cricket and other beach games are always popular pastimes at Camp. This camper is all ready to make a "home-run."

Junior hikers, designated by the name "Peanuts," clamber like mountain goats among the rocks. The picture shows them in the Prince Heinrich Mountains.

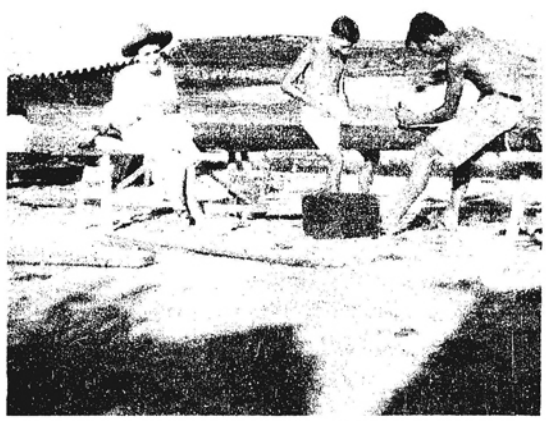
Sailing and swimming are also popular sports. (*Above*) Five hearty sailors on the "Silver Gull." (*Right*) A few of the older campers take lessons in life saving.

This picture shows "Pajama Boulevard" and two of the huts in which the campers sleep, delightfully tired after a day spent energetically in sports.

Camp Tsingtao is truly international and the motto is "Every Boy a Brother." All boys of good moral character are welcomed.

Sailing over the ocean blue—"bailing out" goes with the fun and the campers lend the skipper a willing hand as he prepares for another sail.

After a hike in the hot sunshine, what could be more welcome than a dip at Laoshan. The answer is "nothing," according to these happy campers.



Following in the footsteps of Robinson Crusoe these young campers build a raft. Craftwork is an important recreation at Camp Tsingtao.

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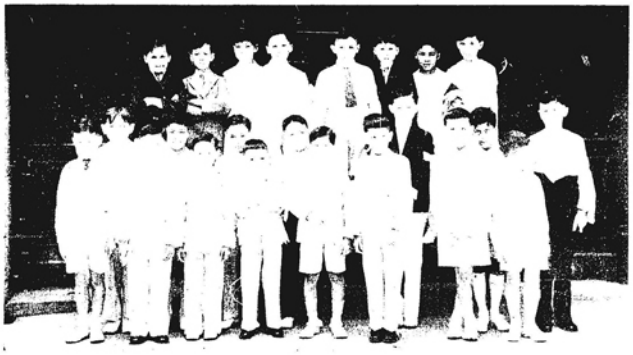
Personalities in the News Cau

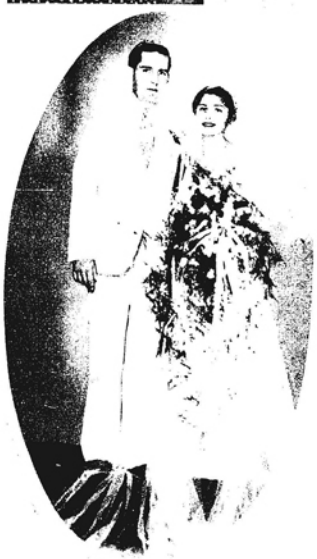


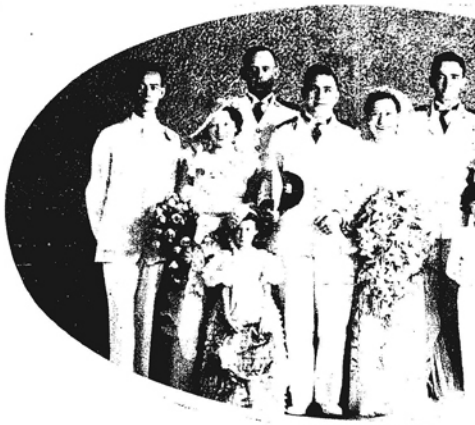
BOY COMMUNICANTS
Youthful candidates for confirmation and first communion in ceremony at St. Joseph's Convent Chapel, Thursday June 20. The Right Rev. Bishop B. A. Haouisee officiated.—*Josepho-Shick.*

RETIRES
Mr. G. G. Franklin, has retired as manager of Union Insurance Society of Canton, Ltd., after 31 years of service in the Far East.—*Joseffo.*

HOTEL MAN
Mr. Rene E. Schaerrer, new manager of the Grand Hotels Ltd., Tsingtao, is well known from London to Shanghai.

A.W.C. ENTERTAINS GARDEN C
(*Left*) Mrs. H. C. Mei with Mrs. R. C. Force and Mrs. Frank Edoff of t
(*Centre*) Mrs. C. H. Wang, Mrs. Dana Nance and Mrs. John H. Lynch of Ric
of the American Garden Club tour party Mrs. William Dupont, Wilming
York, and Mrs. Henry S. Jeanes, Philadelphia.—*N*



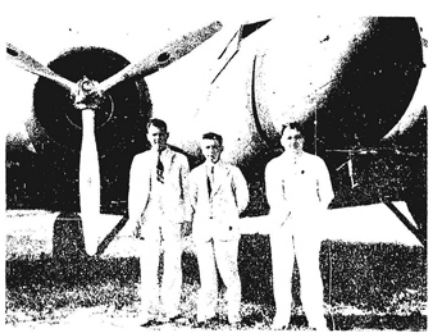


WEDDING BELLS
(*Left*) Mr. and Mrs. Henry Laird Carson, the former Miss Winifred Lev
Skvirsky (*Centre*) Mr. and Mrs. George Harry Mulley (Miss Anne Jane
Sacred Heart Church, June 15.—*Crown.* (*Right*) Mr. and Mrs. W. W. McFa
married at American Consulate, June 14.—

SCHOOL'S FOUNDATION DAY
(*Above*) The girls' crew takes up position before the C. I. M. School Foundation Day Boat Race at Chefoo. (*Below*) One of the boys' crews tow girl crew members ashore.

FAMOUS VISITORS
(*Left*) Mr. Douglas Fairbanks, famous Hollywood star, and his party came ashore at Shanghai and were snapp
Fairbanks, two members of his party and "coolie" as they strolled alo

AMERICAN SCHOOL PLAY
A scene from third act of "The King's Henchman," the Edna St. Vincent Millay play, produced by graduating class of the Shanghai American School, June 8 and 13.—*Williams Studio.*



AIR HOSTS
Mr. Julius Barr, Mr. T. A. Smith and Mr. Wellwood Beall, pose before Marshal Chang Hseuh-liang's plane.—*N. C. D. N. Photograph.*

A steady stream of visitors called
here a

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News Caught by the Camera

ENTERTAINS GARDEN CLUB

ce and Mrs. Frank Edoff of the Piedmont, California Garden Club, nd Mrs. John H. Lynch of Ridgefield, Conn. (*Right*) Three members frs. William Dupont, Wilmington, Delaware; Miss Mary Cross, New ry S. Jeanes, Philadelphia.—*N. C. D. N. Photographs.*

WEDDING BELLS

the former Miss Winifred Levis, whose marriage took place June 12.—Harry Mulley (Miss Anne Jane Short) and bridal party after wedding. ht) Mr. and Mrs. W. W. McFarlane (Miss Marian Noble) who were merican Consulate, June 14.—*Skvirsky.*

FAMOUS VISITORS

e at Shanghai and were snapped by the camera. (*Centre*) Lady Ashley, cool in a summer print. (*Right*) Mr. d "coolie" as they strolled along the dock.—*N. C. D. N. Photographs.*

GUESTS OF POLICE

eady stream of visitors called during the opening of the new Police Club in Foochow Road recently. Pictured here are a few of the guests and their hosts.—*Josepho-Shick.*

GIRL COMMUNICANTS

Pictured here are the girls who also participated in the confirmation ceremony held at St. Joseph's Convent, Rue Montauban on Thursday.—*Josepho Shick.*

OFFICIAL

Mr. Hsu Sien-chih who is Vice-minister of the Interior.—*Oscar, Baud's.*

REPRESENTATIVE

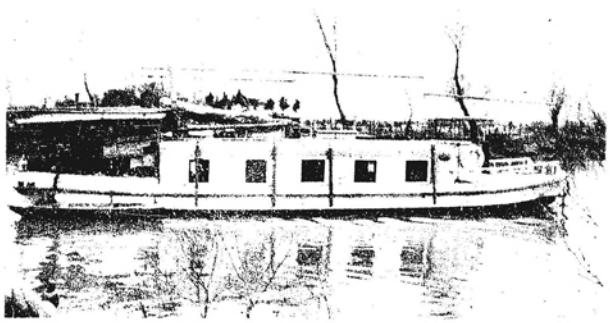
Mr. M. Tsuda has been appointed resident representative of the Shanghai office, Japanese Railways.—*Williams Studio.*

UNVEILING CEREMONY

On the tenth anniversary of Kuang Hwa University, June 3, a statue of Mr. S. S. Wang, late director, was unveiled by Mr. S. U. Zau. Mr. Chang Shu-yung, principal, is shewn in foreground.—*Williams Studio.*

CUBAN ATMOSPHERE

Henry Nathan's Band in their original Rumba number which has delighted patrons of the Cathay air-cooled ballroom.



A typical modern Shanghai houseboat, moored in a quiet backwater off Chapoo.

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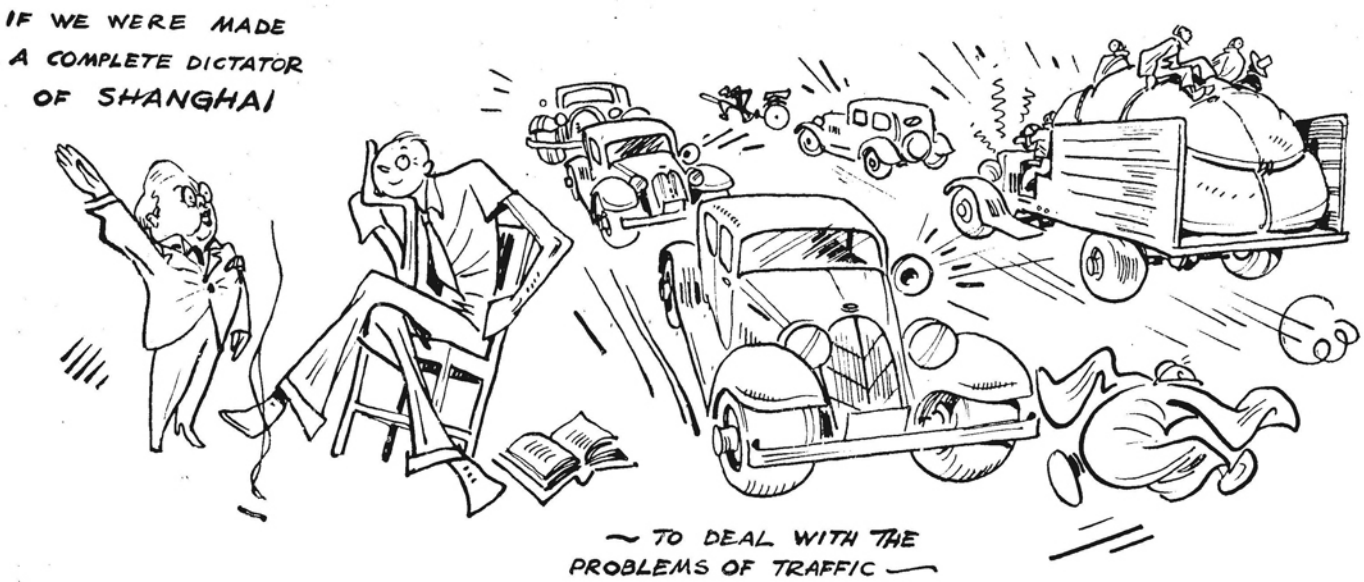
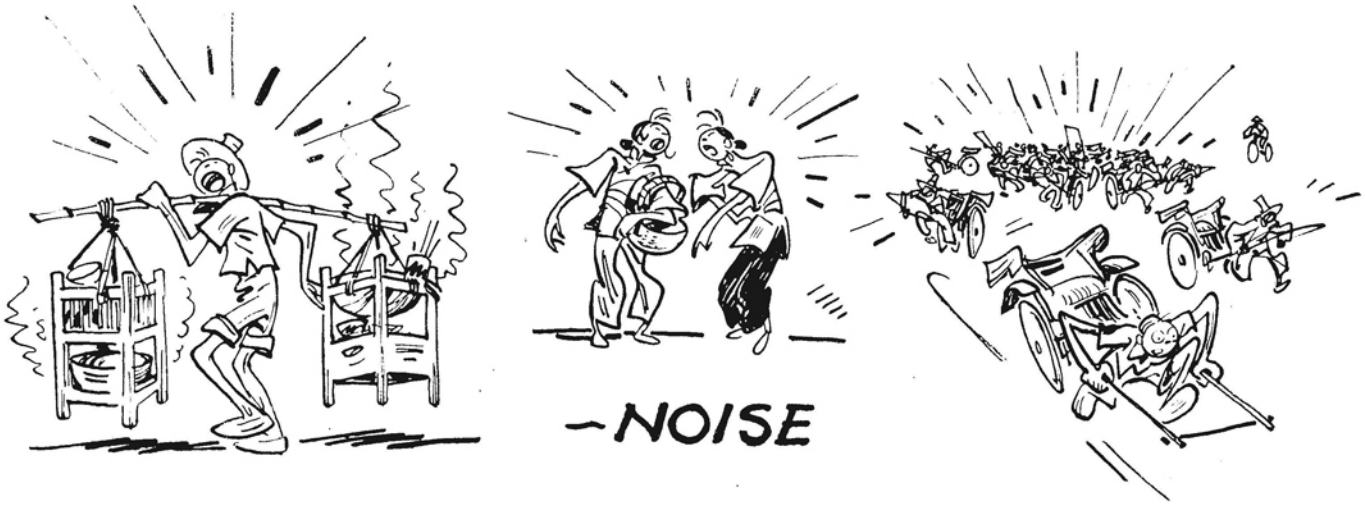
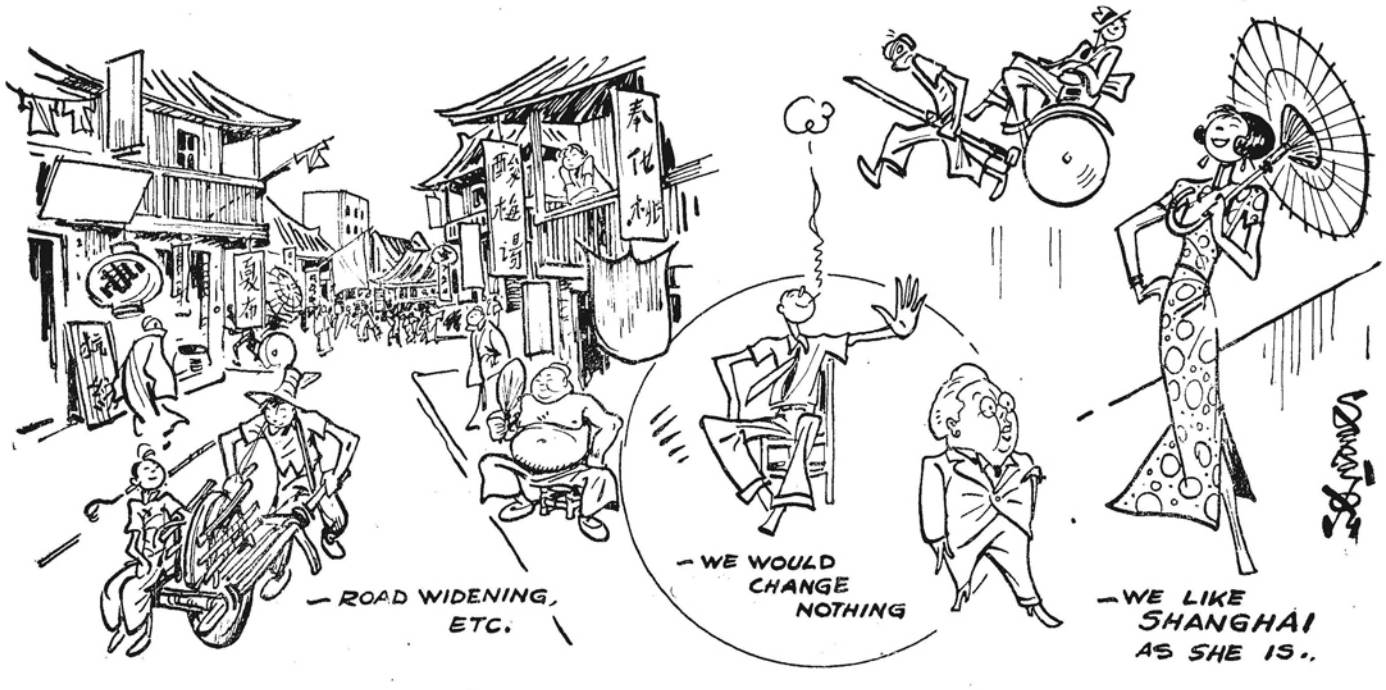
Shanghai Problems

By SAPAJOU







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Dancers to Buy Aeroplanes

Ballrooms to Give Five Cents. on Every Dollar

Dancers are to do their bit in helping China get together a strong air force. This is a result of a request by the China Aviation League to the proprietors of Chinese dance-halls in Shanghai for a charge of five cents on every dollar earned in their establishments to go towards a fund for the purchase of aeroplanes.

As the cabaret-goer clamps his partner to him and glides away to the strains of the orchestra, he will have the satisfaction of knowing that, besides enjoying himself, he is doing something for the good of the country. For the dance-hall owners, in the way that dance-hall owners have, will pass the five cents charge on to their customers.

The proposal has been accepted by twenty dance-halls to date. And others are expected to notify the Aviation League of the compliance before many more dance-nights have passed. A meeting of dance-hall owners is being called to-day and a definite decision may be reached at it.

By SAPAJOU

Mr. S. Y. Wong

An authority on the Chinese theatre, co-director (with Mrs. Alyne Sholes) of "Lady Precious Stream".

FIRST GRADUATION AT GONZAGA

Diplomas Presented to Class by Bishop Haouisee

The first class of graduates of Gonzaga College, Kiaochow and Singapore Roads, received diplomas on Friday evening at an elaborate function held in the college hall. Bishop Auguste Haouisèe, S.J., Vicar Apostolic of Shanghai, presided and presented the diplomas to the twelve graduates. Others present were the Very Rev. Leo F. McGreal, S.J., President of the College; the Rev. Pius L. Moore, S.J., founder of Gonzaga; Mr. K. C. Pan, Commissioner of the Bureau of Education, Shanghai City Government; the Rev. James F. Kearney, S.J., pastor of St. Aloysius Church; members of the Board of Directors and of the faculty of the College.

The programme opened with the singing of the Chinese party song, followed by introductory speeches in Chinese and English by the Rev. Anthony Sen, S.J., and Father McGreal, respectively. The Senior Play, "Loyalties," was presented, in English, by the graduating class and other students, and student addresses were delivered by Charles Chang, class president, and Paul Tsai Tsu-teh. Mr. Pan spoke for the Chinese Bureau of Education and Bishop Haouisèe made the concluding speech. After the singing of the Alma Mater song, the college orchestra, conducted by Mr. Sam Lazaro, played the finale.

The graduates are Messrs. Augustine Zee, Justin Wu, Oscar Lopes, Charles Chang, Francis Shen, Mark Zen, Charles Yao, Mark Sen, Wang Mangok, Paul Tai Tsu-teh, Joseph Woo, and Wang Wi-ghi.

Gonzaga College was founded in 1931 by the American Jesuit Fathers. Foreign and Chinese boys and youths receive their primary and secondary education at the institution, which was formerly situated in Avenue Joffre.

MEMORIAL HALL FOR GEN. CHIANG

Twenty-Five Members Named for Committee

Twenty-five officials and delegates of public bodies were nominated at a meeting held at 2 p.m. on Sunday in the New Asia Hotel, to serve on the committee to make preparations for the erection of a memorial hall for Gen. Chiang Kai-shek in Shanghai.

These twenty-five persons included Dr. H. H. Kung, Mr. Li Shih-tseng, Gen. Tsai Ching-chun, Mr. H. O. Tong, Dr. Li Teng-hui, Mr. L. T. Yuan, Mr. Kwok Hsun, Mr. Wang Yen-sung and Mr. Li Ta-chao. The preparatory committee will hold its first meeting at the end of this month.

The proposed Gen. Chiang Kai-shek Memorial Hall will be built in the Civic Centre at a cost of about $150,000, a portion of which fund has already been raised in Shanghai. It was at first proposed to erect a bronze statue for Gen. Chiang in this city, but this proposal was later shelved and a proposal for the erection of a memorial hall for him was adopted.

JEWELS FOUND NOT STOLEN PROPERTY

Parcel from Chefoo Handed to Customs Officials

Twenty-thousand dollars worth of jewels, recently brought to Shanghai from Chefoo on suspicion of being a portion of the valuables that were stolen from Messrs. Sennet Freres' jewellery store, 75 Nanking Road, by three foreigners, were ordered by the First Special District Court on Tuesday, June 18, to be returned to the Customs authorities because investigations had revealed that they were not stolen property. The jewels were contained in a parcel sent to Chefoo by the Russian proprietor of a Minghong Road store in Shanghai. After reaching Chefoo, detectives from the local police, with the assistance of the Customs in the northern port, brought the valuables here for inquiries. An examination by the management of Messrs. Sennet Freres showed, however, that they were not among those stolen from their store.

WEDDINGS

Pissarevsky-Moalem

The wedding of Miss Flora Moalem and Mr. Gregory Joseph Pissarevsky took place on Tuesday, June 18, at the Beth Aharon Synagogue.

Mr. Pissarevsky, who is on the staff of Messrs. Andersen, Meyer & Co., Ltd., is the only son of Mr. and Mrs. J. G. Pissarevsky of Shanghai. His bride is the daughter of Mrs. Sophie Moalem and the late Mr. J. J. Moalem, also of this city.

The bride, who was given away by her brother, Mr. S. J. Moalem, in traditional Hebrew fashion, carried a bouquet of myrtles and the Book.

The bridesmaid was Miss Marjorie Moalem, sister of the bride. Mr. Nissim Moalem was best man.

Moller-Barraud

The wedding of Miss Jeanne-Marie Barraud and Mr. Eric Blechynden Moller took place on Saturday afternoon at St. Joseph's Church, the Rev. E. Moulis officiating. The service was preceded by a civil ceremony at H. B. M. Consulate-General, before Mr. A. D. Blackburn. Mr. Moller, who is the son of Mr. and Mrs. Eric Amelon Moller, of Shanghai, has spent most of his life in this city, and is a member of the firm of Moller & Co. His bride is the daughter of Mr. and Mrs. Jean Julien Barraud, well known members of Shanghai's French community.

The bridesmaids, were Miss Isabel Moller, Miss Nancy Moller, Miss Itala Chieri, and Miss Amy Bos and the little flower girl, Noelle Chevretton. Two small page-boys, Gerard Seriot and Clude Chevretton, brought up the rear.

Following French custom, there was no best man, but Messrs. Chrys Moller, Ralph Moller, Lindsay Moller, and Carlo de Thierry acted as garcons d'honneur.

Direct connection between two recent shooting affairs in the French Concession has been established through the arms identification section of the French Police, and the first clue thereby discovered as to the murder of Auxiliary Constable Mikhine on May 22. It is believed by the Police that the armed man who escaped following the robbery at 500 Avenue Joffre on June 4 was responsible for Mikhine's death.

FAREWELL RECEPTION TO MR. E. C. LOBENSTINE

Well Attended Function Held at Chinese Y.M.C.A.

The Executive Committee of the National Christian Council on Monday invited friends and associates to a large reception to say farewell to Mr. and Mrs. E. C. Lobenstine who are sailing in the Scharnhorst to return to the United States. Mr. Lobenstine is leaving China after thirty-five years of service here. He came in 1898 as a member of the Presbyterian Mission and went to Hwaiyuen. In 1912 he returned to Shanghai to work on the China Continuation Committee and when the N.C.C. was organized in 1922 he became the General Secretary, which position he has filled until this year.

Over 400 guests were invited to the reception which took place in the Chinese Y.M.C.A. Among those present were:—Dr. and Mrs. H. Liu, Mr. and Mrs. C. L. Boynton, Dr. John Y. Lee, Mr. Y. S. Tsao, Dr. and Mrs. Fong F. Sec, Mr. K. T. Chung, Dr. Wu Lien Teh, Mr. J. J. Poan, Mr. and Mrs. L. D. Cio, Major and Mrs. M. H. Throop, Doctor and Mrs. J. L. Maxwell, Doctor and Mrs. F. L. Hawks, Mrs. R. C. Beebe, Mr. and Mrs. R. E. O'Bolger, Miss Margaret A. Frame, Mr. C. M. Myers, Mr. Adam Black, Mr. and Mrs. R. D. Rees, Mrs. W. H. Lunt, Miss Hilda Stacey, Miss T. C. Kuan, Reverend and Mrs. W. D. Boone, Miss M. Boone, Miss Margaret MacKinlay, Miss Talithat Gerlock, Mrs. R. C. Wells, Doctor, and Mrs. L. C. Hulbert, Mrs. J. M. Esbey, Mrs. G. A. Fitch, Mr. L. T. Chen, Doctor H. H. Kung, Mr. John S. Barr, Miss Mabel Johnson, Miss Ellen R. Johnson, Miss L. K. Haass, Mrs. Way Sung New, Miss Elizabeth F. Murray, Mrs. Myron E. Terry, Mr. and Mrs. W. A. Main, Mrs. F. R. Millican, Mr. K. Z. Lowe, Mr. Earl H. Cressy, Mr. R. R. Service, Mrs. Carleton Lacy, Mrs. F. L. Chang, Miss Gwen Cooper, Dr. and Mrs. Frank Rawlinson, Mr. L. Sweet, Mr. and Mrs. E. E. Darnett, Dr. Woodrow Ging, Mrs. E. A. Turner, Miss Maude L. French, Mr. and Mrs. C. E. Patton, Mr. and Mrs. John A. Ely, Mr. and Mrs. C. D. Meinhardt, and Mrs. R. Calder-Marshall.

"N.-C. Herald" Photo.

VETERAN WORKERS RETIRING

The Rev. and Mrs. E. C. Lobenstine who are retiring after 35 years service as mission and religious workers in China. They were the guests of honour at a reception on Monday at the Chinese Y.M.C.A.

OBITUARIES AND FUNERALS

Mr. Oscar Moller

With the death of Mr. Oscar Moller on Tuesday, June 18, China lost one of her real old "China Hands," for with the exception of two years in Denmark, the late Mr. Moller spent nearly sixty years in this country.

Mr. Moller came to China at the age of 30 in 1875, in the employ of the Great Northern Telegraph Co. While employed by this company, he was one of the sub-engineers who built the Tientsin-Shanghai landline.

He resigned from the Great Northern in 1883, and then made a survey of the Hankow-Canton landline, being taken so seriously ill en route that at first his life was despaired of.

He was then employed by the Viceroy of Canton, his greatest task being the laying of the submarine cable between the mainland and the Island of Hainan. This was before the late Mr. Sheng Kung-pao, financier, banker, and the founder of the China Merchants S.N. Co., consolidated the Chinese Telegraph Co. into the Imperial Chinese Telegraph Administration.

In 1897, Mr. Moller was transferred to Shanghai, and four years later retired to Denmark. The call of the east proved too strong, however, and in 1903 he returned to Shanghai, joining Mr. G. Nielsen in partnership as a sharebroker.

He is survived by his wife, Mrs. Nellie Moller, and his death has left a gap that can never quite be filled.

The deceased was a member of both the Shanghai Club and the Shanghai Race Club.

A funeral service was held on Thursday afternoon in the Bubbling Well Chapel, by the Rev. Jogan Nielsen.

Genevieve Rimber

The funeral took place on Friday, at Lokawei Cemetery, of Genevieve Rimber, the two-year-old daughter of Mr. and Mrs. Rimber. The father is a premier maitre of the French cruiser Primauguet. A short service was conducted in the Church of St. Pierre in Avenue Dubail by the Rev. Father Larome, the Chaplain of the Primauguet, who also officiated at the graveside. The chief mourners were the father, mother, and sister, and the pall-bearers were four shipmates of Mr. Rimber. There was a large representation of mourners from the Primauguet and the other French ships in port.

Pvt. Wiley Jenkins Thrower

Funeral services for the late Pvt. Wiley Jenkins Thrower, U.S.M.C., who passed away at the Country Hospital last Friday, were held on the lawn of the International Funeral Directors, 207 Kiaochow Road on Monday morning, June 17. The services were conducted by the Marine Chaplain, the Rev. M. M. Witherspoon. The casket which was draped with the American flag was carried from the Chapel by eight comrades.

Mr. Ivan Parlovich Costidis

A funeral service was held on Sunday afternoon, June 16, for the late Mr. I. P. Costidis at the Hungjao Road Cemetery, with the Rev. Father Makary officiating, assisted by the Russian choir. Mr. Costidis was a well known and respected member of the local Greek Community and he passed away at the Shanghai General Hospital last Friday following an operation. The deceased was 48 years of age.

Mr. Enok Mealik Sarkisian

A funeral service was held on Tuesday, June 18, in the Russian Church of St. Nicholas for the late Mr. Enok Mealik Sarkisian. The service was conducted by the Rev. Father Aphanosy Shalabanoff. The interment took place in the Lokawei Cemetery and the pall-bearers were Messrs. M. Holian, N. Moivessian, V. L. Sarkisoff, and S. Hlopoonoff.

Mr. G. Porterfield

News has been received in China by Mr. James Findlater of the death of a well known and popular China Coaster, Mr. Geordie Porterfield, who died suddenly while engaged in a game of lawn bowls at his home in Kippen, Stirlingshire, Scotland, where he took up residence after his retirement from China about five years ago after having been connected with Messrs. Indo China S.N. Co., as an engineer for a period of 28 years. He is survived by his wife.

PERSONAL NOTES

Bishop F. L. Norris, of the Anglican Mission, Peiping, returned on Tuesday.

Mr. and Mrs. D. E. Hoste sailed for Chefoo in the ss. Shengking on Saturday.

Mr. L. Kadoorie arrived here from Hongkong in the Tatsuta Maru on Thursday.

Bishop D. T. Huntingdon arrived here from Hankow last Wednesday in the ss. Kutwo.

Bishop A. A. Gilman arrived here on Thursday in the ss. Sunning from Hankow and returned on Sunday.

Sir Alexander Cadogan, the British Ambassador, returned to Peking on Saturday from Nanking by aeroplane.

Mr. K. Kroier, who was recently badly injured while riding, has left the Country Hospital in a much improved condition.

Sir Alexander Cadogan, the British Ambassador to China, now in Nanking, proposes to return to Peiping in the next few days.

Mr. Stephen Humphries Owen, nephew of Sir Victor Sassoon, arrived in Shanghai on Friday from Bombay for an indefinite visit.

Major-General O. C. Borrett, Officer Commanding British Troops in China, arrived here from Tientsin on Sunday in the ss. Tungchow.

Dr. Wu Lien-teh sailed for Ichang in the ss. Wuhu on Saturday. Joining the same steamer at Nanking, en route to Chungking, will be Bishop Holden.

Gen. Chu Pei-teh, Chief of Staff of the Military Council, who inspected troops in Fukien recently, arrived from Nanking last Wednesday morning.

Mr. Harold Acton, British playwright and novelist, and the Hon. Mr. Desmond Parsons, arrived in Shanghai last Wednesday from Peiping. They are en route to Bali.

Members of the Shanghai Rotary Club held their usual weekly tiffin re-union at the Metropole Hotel on Thursday, and listened to a very entertaining "talk" on Baguio, given by Mr. Percy Warner Tinan.

The Chairman of S. M. Council, Mr. H. E. Arnhold, left on Tuesday for Europe and will be absent from Shanghai until after the summer recess. During his absence the Vice-Chairman, Mr. W. F. Lambe, will discharge the duties of Chairman of Council.

In the Honours List published on June 3 appears the name of Mr. William Edward Preston, lately chief manager of the Chartered Bank of India, Australia and China, London, who was granted a knighthood. The new knight is well known to many Shanghai residents.

Not even the rain could spoil the warm welcome with which members of the gardening section of the American Women's Club greeted visiting members of the Garden Club of America, last Wednesday afternoon, when what was to have been a garden party became an informal indoor tea. The home of Mrs. Lansing Hoyt, the retiring gardening section chairman, at 349 Amherst Avenue, was the setting for the party. Miss A. Viola Smith, U.S. Trade Commissioner in Shanghai, welcomed the visitors on behalf of the club.

THE flag of Rear-Admiral L.G.E. Crabbe, C.I.E., D.S.O., whose selection for the Yangtze Command was announced last month, will be hoisted in H.M.S. President on August 23 and struck at sunset on the same day. The customary formality signifies his return to full-pay service. Rear-Admiral Crabbe will take passage to Shanghai in the ss. Rawalpindi, due to arrive about October 21. He will assume command about October 23 in succession to Rear-Admiral F. G. G. Chilton, C.B., who will by then have served for the usual two years.

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COMMERCE AND FINANCE

MONEY AND EXCHANGE

Hongkong & Shanghai Bank

TUESDAY, JUNE 25, 1935

Bar Silver	31½
Chi. dollars per $100	¥71.50
Native interest per day on ¥1,000	¥.20
Copper cash per $1	339

OFFICIAL SELLING RATES

London--Tel. transfer	1/7½
New York—tel. transfer	40⅛
Paris—demand	Francs 605
India—demand	Rupees 107
Batavia—demand	Gulden 58¼
Hongkong—demand	Dollars 69 nom.
Yokohama—demand	Yen 138
Singapore—demand	Dollars 69½

BANK'S SELLING RATES 10.00 A.M.

£1 @ 1/7½	$ 12.31
U.S. $100 @ 40⅛	$249.22

BANK'S BUYING RATES 10.00 A.M.

£1 @ 1/7⅝	$12.229
U.S. $100 @ 40½	$246.91
London—demand	1/7⅝
4 months' sight credits	1/7⅛
4 months' sight docts	1/7⅛
6 months' sight credits	1/7¾
6 months' sight docts	1/7⅞
New York—demand	U.S. $40½
4 months' sight credits	40¾
Paris—4 months' sight docts	Fcs. 638 nom

CLOSING RATE

Sterling	1/7⅛
U.S. Dollar	39⅜

National City Bank of New York

MARKET SELLING RATE 10 A.M.

U.S. $1	S'hai $2.5000
Stg. £1	S'hai $12.387

MARKET BUYING RATE 10 A.M.

U.S. $1	S'hai $2.4691
Stg. £1	S'hai $12.229

Banque Belge Pour L'Etranger

Belgas 2.35½	S'hai $1
Belgas 29.10	£1

Italian Bank for China

It. Lire 4.78	S'hai $1
Swiss Frs. 1.21	S'hai $1

Domestic Exchange per $1,000

Peiping	$1,010	Klukiang	$1,004½
Tientsin	$1,009	Hangchow	$1.001
Hankow	$1,008½	Foochow	$1.004
Changsha	$1.001	Amoy	$1.005
Chungking	$ 945	Canton	$ 980
Tsinanfu	$1,005½	Swatow	$ 907
Tsingtao	$1,005½	Mukden	$ 764
Chefoo	$1.012	Dairen	$1,002
Nanking	$1,000½	Harbin	$ 764
Wuhu	$1.001		

Deutsch-Asiatische Bank

OPENING SELLING RATES

Berlin-H'burg T.T. S'hai $100=Rm. 98.50

Central Bank of China

	London	New York
Bar silver spot	31½	70¼
Bar silver forward	31¾	—
Bar Gold, per fine oz.	£7.0.11½	$35.00
Shanghai gold bar basis		$846.90
Native interest		.20
Customs gold unit		$1.668
" " " versus £ Stg.	32.875	Pence
" " " versus U.S. $	68.00	Cents

Central Bank's opening selling rates for T.T.

London	1/7⅝
New York	40½
Paris	609
Berlin	99¼

Subsidiary Coin Exchange

Kiangnan silver 20cts. a.m. 500=$83.20; p.m. 500=$83.40.
Canton silver 20cts. a.m. 500=$73.30; p.m. 500=$73.30.
Copper:—a.m. 338 coppers=$1
p.m. 500=$83.00.
6 silver 20cts. and 30 coppers=$1
25 copper=10cts. silver
10cts. silver and 8 coppers=10cts. big money

LOCAL EXCHANGE REPORT

Messrs. Drakeford, Davis & Wilson

INTER BANK AUGUST DELIVERY

£	Highest 1/7⅞ Lowest 1/63/64
U.S. G.$	39½ 38⅝
Yen	136½ 133½

MERCHANT CLOSING RATES

	Cash Selling		Buying
£ T.T.	1/7⅛	4 m/s. l.c.	1/7⅜
G.$ T.T.	39⅜	4 m/s. lc.	39¾
Fcs. T.T.	592	4 m/s.	612
Rs. T.T.	105½	7 d/s.	107¼

BAR SILVER

	Ready	For'd
London pence per std. oz.	31½	31¾
N.Y. cents per oz. troy	70¼	—
Bombay Rs. per 100 tolas	74	—

Bombay offtake 15 bars. Market closed easy.

London silver was ⅛d. down ready and forward at 31½d. for spot and 31¾d. forward. It was reported that India sold heavily, America, China and speculators bought at the fall, the market was steady. After the official fixing and after further heavy Indian selling, which was absorbed by good American buying, the market finally closed steady at the fixed rates. New York silver was 1¾ down at 70¼ cents and Bombay R.2.6 down at 74.

The local exchange market opened yesterday morning with sellers at 1/7 7/16 sterling, 40 7/16 U.S.$ and 138 yen, improving shortly after the opening to 1/7½, 40 7/16 and 138½. The better rates brought out good buyers and within a few minutes the market again reacted to the opening rates. For a time, till about 11 a.m., the market remained steady at the opening rates, but no news of a weaker market at Hongkong and heavy buying in that quarter, a sharp decline ensued and in spite of support from leading banks the market declined to 1/7 7/16, 39 13/32 and 137. From the opening in the afternoon at 1/7 7/16, 39¾ and 136½ the market steadily declined until the close, when the best sellers were 1/7⅛, 39⅜ and 135½.

CANADIAN EXCHANGE

The Chartered Bank of India, Australia & China opening selling rate yesterday:—

Can. $100 at 39⅞=S'hai $250.78

WEEK'S EXCHANGE NOTES

Shanghai, June 22.

At the close of business on the 20th instant the stock of silver in Shanghai was Tls. 8,340,000 and $302,930,000.

These figures include Tls. 300,000 and $259,650,000 in Chinese banks in which there were 7,980 bars.

BAR SILVER

There were no movements

SYCEE

Imports:—
Nil.
Exports:—
Tls. 600,000 melted and coined

DOLLARS

Imports:—
$100,000 from Anking
840,000 sycee melted and coined
$940,000
Exports:—
$200,000 to Hankow

Silver

London quotations come to-day 32 7/16d. ready and 32 9/16d. forward, a drop of ½d. in each position as compared with last week.

India and China bought and sold. America bought.

Exchange

The official rate to-day is 1/7¾ unchanged from last week.

The speculators' position is estimated to be about square.

Selling T.T. 1/7⅝d. U.S. $40 7/16.
Buying 4 m/s. 1/7⅞d. U.S. $41.

U. S. SILVER POLICY UPHELD

Prof. C. F. Remer States Crisis Caused by Devaluation

Tokyo, June 21.

The United States' silver purchasing policy is not wholly to blame for the present economic and monetary crisis in China, in the opinion of Prof. C. F. Remer, of the University of Wisconsin, who is a recognized authority on Chinese finance.

This assertion was made upon Prof. Remer's return last night from China, together with other members of the American Economic Mission to the Far East, which is now on its way home.

"Many persons insist that the present economic and monetary crisis in China was caused primarily by the United States' policy of raising the price of silver. I admit it may have been an accesory cause, but the actual causes, in my opinion, are the devaluation policies adopted by various countries following Great Britain's abandonment of the gold standard in September, 1931, and the subsequent measures devised to stimulate the depreciation of their respective exchange rates, in order to acquire positions favouring their export trade," Prof. Remer remarked.

"Whether or not China will abandon the silver standard, depends entirely on the future internal situation in that country. China appears to be following a course similar to that taken by the United States, which was forced by circumstances to suspend the gold unit despite vast gold reserves," he concluded.—Rengo.

THE abolition of the inter-port duty and the decrease of the export duty on native goods, scheduled to become effective on July 1 is likely to be postponed to an indefinite date, says a Chinese message from Nanking.

NINGPO INDUSTRIAL BANK CREDITORS

Association Inaugurated at Meeting

At a meeting of the creditors of the Ningpo Industrial Bank, which closed on June 4, Mr. Chang Tse-lien, manager of the San Sing cotton weaving factory, Mr. Wang Pei-ping, Mr. Chen Chun-kao, Mr. Hung Yen-ping, Mr. Chu Liang-yue and ten others were elected as directors of the creditors' association to handle the various matters arising out of the closing of the institution. The creditors also adopted the principle that their interests should not be jeopardized.

The meeting was held in the Chinese Chamber of Commerce on Thursday afternoon. Several hundred persons representing a total of $513,467.98 were present, The liabilities of the institution, it was reported yesterday, amounted to more than $750,000. Mr. Lo Chun-meng, appointed by the Ministry of Finance to supervise the liquidation of the bank, has already notified the directors of the institution to hold a general meeting without further delay.

BRITAIN TAKES LEAD IN CHINA VISIT

London, June 21.

H. M. Government has officially informed other governments with Far Eastern interests of the impending visit to China of its Chief Economic Advisor, Sir Frederick Leith-Ross.

In doing so, the Government expressed the hope that the countries concerned would follow its example and also send experts who could meet in China and discuss the situation.—Reuter.

MORE ON THE A.-O. BANK AFFAIRS

Liquidator Out After the Debtors

"We are going to let loose the dogs of war," said Mr. Frank L. Hough, liquidator of the American-Oriental Banking Corporation, commenting on Thursday on the fact that, of a sum of nearly $7,000,000 due in loans and overdrafts, less than one-half of one per cent. had been received.

It was really pitiful, he said, the support he as liquidator was getting. Immediately he took over, he commenced to call in all the loans and overdrafts which were callable, by means of letters, telephone calls, and more letters. A certain number of people had come forward and, explaining that they simply had not got the money, made offers to pay so much down and more in a week's time, a month's time, or even later. This action, he said, was "gentlemanly."

The majority, however, simply had ignored his repeated requests. They had not written to him, called on him, or even telephoned him. From the early part of next week, therefore, Mr. Hough is going to invoke the assistance of the law by means of suits against those with outstanding loans and overdrafts.

If the money continued to dribble in as it was doing at present, Mr. Hough doubted whether he would be able to pay his staff of assistants in full. The present staff in the bank working on the process of liquidation numbers 35 and the salaries they were to receive at the end of the month were extremely moderate in view of the nature and amount of work they had to do.

A Telephone Interlude

An idea of the amount of time necessary to wind up the affairs of the bank was afforded by a little telephone interlude. Someone rang up, and, stating they had some money in the bank, inquired if they could call and collect it. Mr. Hough stated emphatically they could not, and he doubted whether they could hope to get it for another six months. Even then, he would not guarantee their getting the entire amount back.

In order to keep the public fully abreast of the latest developments in the process of liquidation, Mr. Hough said he deemed it advisable to present for inspection figures showing the amounts received since the bank closed, as compared with the amounts shown on the company's books as receivable.

The following is a statement prepared by Mr. H. S. de Vault, certified public accountant, under Mr. Hough's direction, of collections made in realization of assets of the American Oriental Banking Corporation during the two weeks ended June 18, 1935:—

Account	Amount Collected	Balance Shown by the Books May 23, 1935
Loans and Overdrafts	$32,449.62	$6,775,235.73
Bills purchased	30,422.48	235,974.57
Advances on Bills for Collection	9,188.02	252,972.33
Customers' Acceptances	12,787.12	202,449.77
Accounts Receivable, etc.	4,521.51	45,276.54
Miscellaneous	413.99	——
	$89,782.80	

The item "Miscellaneous" includes amounts collected through the sale of furniture.

Statements of collections made in realization of assets during the two weeks ended June 18, 1935, were also given out by Mr. Hough yesterday in connection with the American Oriental Finance Corporation:—

Account	Amount Collected	Balance Shown by the Books May 23, 1935
Due from Correspondents	$4,166.92	$178,749.50

And of the Raven Trust Company:

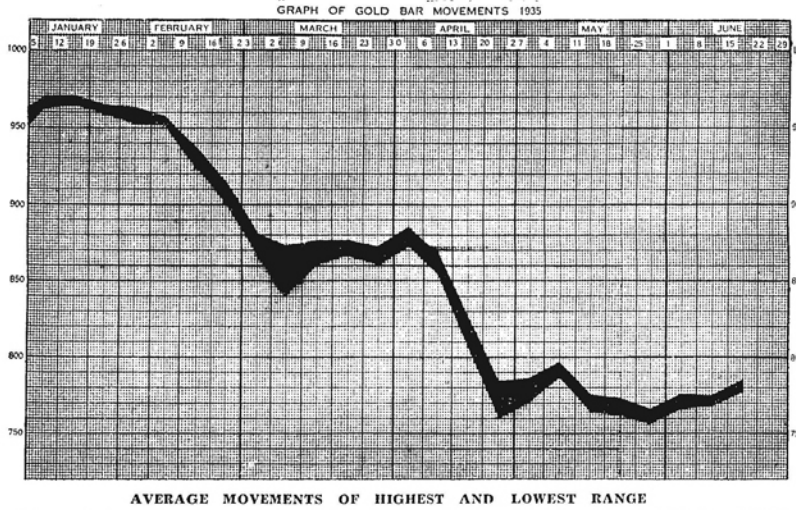
Account	Amount Collected	Balance Shown by the Books May 23, 1935
Loans Receivable	$2,000.00	$226,902.82

JAPAN'S GOLD AND SILVER EXPORTS EXCESS

Tokyo, June 24.

Japan's trade in gold and silver during May resulted in a favourable balance of Y.21,200,000, with the exports totalling Y.27,947,000 and the imports amounting to Y.6,747,000, according to figures released to-day by the Finance Ministry. The report covered Korea, Formosa and the mandated islands in the South Seas. The total exports of the two metals since the beginning of the year have reached Y.55,163,000, showing a favourable balance of Y.41,849,000.—Rengo.

STEADY RISE CONTINUES IN GOLD BAR MARKET



AVERAGE MOVEMENTS OF HIGHEST AND LOWEST RANGE

The graph shows the average highest and lowest prices of each week of the Shanghai Gold Bar Market, the black area displaying the range of movements.—Dah Fah Yung.

GOLD BAR MARKET WEEKLY REVIEW

By Courtesy Dah Fah Yung

The market continued to be very dull during the greater part of the week under review, but on the last two days violent fluctuations and a wide range of movements were witnessed.

With no special news to influence it the market remained quiet between $767.70 and $779.40 during the first three days, and the volume of business was well below normal.

The market opened on Thursday slightly higher owing to weakness in foreign silver, and advanced to $784.60 on heavy buying by some well-informed speculators.

On Friday news of a fairly large block of cash bars being bought by a certain bank influenced outstanding shorts to take cover immediately, advancing the market to $786.70 in the morning, and to $791 when the price of Bombay silver was reported to have dropped 16 annas.

The market continued to be bullish on the following morning, and fast and erratic fluctuations were seen at last after a prolonged period of inactivity. Heavy buying on the part of some big brokers caused a rush of buyers, who forced the price sharply up to the high of week, $805, but with buyers satisfied the market settled down around $800.

Monday Opening	$768.50	Average Highest	$785.00
Saturday Closing	$801.00	Average Lowest	$776.80
Highest Price	$805.00 at 9.25 a.m. on Saturday		
Lowest Price	$767.70 at 9.04 a.m. on Monday		

JOINT RESERVE BOARD

Members Bank Clearings

WEDNESDAY, JUNE 19, 1935

Dollars	$4,993,000.00
Transfer Dollars	$2,696,000.00
Total Clearings:	$7,689,000.00

THURSDAY, JUNE 20, 1935

Dollars	$4,958,000.00
Transfer Dollars	$4,872,000.00
Total Clearings:	$9,830,000.00

FRIDAY, JUNE 21, 1935

Dollars	$3,826,000.00
Transfer Dollars	$2,963,000.00
Total Clearings:	$6,789,000.00

SATURDAY, JUNE 22, 1935

Dollars	$3,148,000.00
Transfer Dollar	$3,486,000.00
Total Clearings:	$6,634,000.00

MONDAY, JUNE 24, 1935

Dollars	$6,907,000.00
Transfer Dollars	$4,872,000.00
Total Clearings:	$11,779,000.00

TUESDAY, JUNE 25, 1935

Dollars	$6,456,000.00
Transfer Dollars	$5,462,000.00
Total Clearings:	$11,918,000.00

The Joint Reserve Board is composed of 38 Chinese banks and its clearance does not include cheques on foreign banks and Chinese native banks.

EQUALIZATION CHARGE

The equalization charge remained unchanged throughout the week at 6¾ per cent.

FRENCH BANK LOWERS DISCOUNT RATE

Paris, June 20.

The Banque de France to-day lowered its discount rate from six to five per cent.—Havas.

TIN RESTRICTION MAY END

London, June 20.

The recent severe criticism blaming the failure of the buffer pool to ease the extraordinary shortage of spot tin by releasing supplies caused inquiries to be made to-day in circles in very close contact with the pool.

According to the information gathered, the pool is serving the interests of producers and consumers.

1.—By keeping the price at a remunerative level while gradually increasing the output;

2.—By satisfying genuine trade demand, which mainly takes the form of forward contracts, but refusing to facilitate speculation by affording bears an opportunity of covering cheaply.

It is stated that the market alone is to blame for the unhealthy spot situation.

It is learned from a well-informed source that there is every reason to expect Malaya, the Netherlands Indies, Nigeria and Bolivia to form a united front during the negotiations for a renewal of restriction.

London is unanimous that a continuance of restriction is most desirable.

The present disorganization of the tin market is reflected in the dullness of tin shares, several of which are depressed by the forced liquidation of holdings of circles closely connected with the industry.—Reuter.

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SHANGHAI MARKETS' WEEKLY REVIEW

Good Turnover in Keemun and Chunmee Teas: Rice Prices Improve Slightly

Shanghai, June 22.

The two bright spots in the local markets report during the past week were those of Tea and Rice. In the former there was a good demand for Green Teas, in Chunmee and Sowmees. Although Rice prices are improving there seems to be a lack of demand.

PIECE GOODS

The Piece Goods Market is dead. There is no interest being shown by buyers and the hope of a recovery for some time to come is very small.

Yuenfong Auctions

After a lapse of a fortnight the Yuenfong Auctions' Market re-opened on Thursday but the market is still suffering from the general financial stringency and prices, on the whole, for both Dyed and Bleached Goods were down. Exceptions in the former class were Venetians, which remained steady, and Coatings, which improved slightly. A noticeable feature of the auction was the heavy decline in price for both Black and White Poplins.

COTTON, YARN, ETC.

(Weekly report by courtesy of Messrs. J. Spunt & Co.)

Chinese Cotton: The Market during the past week has shown but very little activity in spot cotton and prices remained on the same level as that ruling during the previous period. There being as yet no improvement in either the yarn or the monetarial markets, such circumstances would have further depressed the values of the raw material, but for the manipulations of some of the local cotton merchants, who, having heavy long futures positions in the cotton goods exchange, are taking advantage of the meagre tenders for June deliveries and are endeavouring to push up the markets for that month in order that they be enabled to liquidate their long positions at better rates. But, whether such operations, in the face of heavy stocks of Lingpao and Loyang grades, continued curtailment in mill spindles and the unabated monetarial stringency, will prove successful, is highly problematical. Though we may not experience any considerable declines in the foreign markets there are no indications at this time that any material advances on the domestic staple are likely to materialize during the next two months, provided nothing untoward affects the coming crop in the interim. The weather conditions may be said to be favourable on the whole and any drouthy sections that may have existed have to a certain extent been relieved by the recent beneficial rains.

Yarn: During the past week prices declined on the whole by $2 ta $3 per bale due to Japanese selling spot and forward deliveries at prices very much lower than that obtainable from the Chinese mills. During the latter part of the week due to a fair demand from Hunan business on some 5,000 bales of 16s yarn has been done, which coupled with the fact of some timid bulls having liquidated their position to a great extent, evolves a healthier technical position as the production of Chinese yarn has been very much reduced.

SHANGHAI MARKET

Shanghai, Spot ex-mill	$39.00
Tungchow, Spot ex-mill	$40.00
Shensi, Spot ex-mill	$39.50
Lingpao ordinary, Spot ex-mill	$44.00
Ningpo, Spot ex-mill	$36.50

Tone of the market Steady.

WHEAT AND FLOUR

World Wheat Markets at the moment are steady. Prices in the American continent are advancing, but further developments depends entirely on weather conditions, which naturally plays an important part in the harvest results of the new crop.

The situation in China is unchanged. There is no demand at the present time for foreign wheat.

The Shanghai Flour and Wheat Markets remain steady.

RICE

The Rice Market for the week under review has improved slightly, but the general demand, on the whole, continues to be small. Present quotations are Saigon Rice $10.80, Chinese White Rice $12.80.

SILK

Although there was a large turnover totalling approximately 1,000 bales, sold at somewhat low prices, the tendency of the Silk Market is continuing easy. Offerings are large but real enthusiasm on the part of buyers is lacking.

TIMBER

Clearances of local stocks in the Timber Market are still very slow though some slight improvement was noted over the previous week. Import business has closed for the time being since the imposition of the Timber Guild's restriction for the next three months and now dealers are anxious to liquidate their stocks but demand is very small.

PAPER

The situation in the Paper Market remains unchanged and no improvement is expected for some time. Dealers have abstained entirely from placing orders while consumers limit their purchases to the barest necessities. Home prices have undergone no appreciable change and the makers' attitude is perhaps not quite so firm as it was before. Deliveries from local stocks are very few.

PRODUCE

There is still no improvement to report in any of the Produce Markets. All markets are despondent due to unsettled conditions both here and abroad.

TEA

Black Tea. Keemun. The balance of the crop, though unattractive, is nevertheless finding a good demand and transactions are mainly confined to the rough red varieties at around $40. Total business reported during the week amounts to nearly 7,800 h/c, which is nearly double last week's figure.

Hankow. Except for the sale of a few odd parcels of fine Oanfas this market is lifeless and reflects the congested state of Congou consuming centres.

Green Tea. Chunmee. An active market at firm rates with good demand for fine teas and anything which shows quality. Business reported—10,000 h/c.

Sowmees. Medium to fine teas are selling, but the lower grades are neglected. During the week 2,100 h/c were reported as settled.

Gunpowders. A small business was done in Pinheads, but otherwise the market is very inactive.

LONDON STOCKS

Monday's Closing Quotations

By courtesy Swan, Culbertson & Fritz by Reuter

	June 21	24
War Loan, 3½% (Red.)	106	106
CHINESE BONDS		
4½% Bonds, 1898	102	102
4½% Loan, 1908	99	99
5% Loan, 1912	83	83
5% Reorg. Loan, 1913	94½	94½
5% Gold Bonds, 1925-47	93	93
5% Shanghai-Nanking Rly.	80½	80½
5% Tientsin-Pukow Rly.	29	29
5% " " (Supl. Loan)	23	23
5% Honan Railway	29	29
5% Hukuang Rly. 1911	45	45
5% Lung Tsing U. Hai Rly.	15½	15½
FOREIGN BONDS AND BANKS		
German 7% Int. Loan, 1924	62	63½
Japan 5% Sterling Loan, 1907	84	84
Japan 6% Sterling Loan, 1924	95½	95½
H. & S. Bank (Ldn. Reg.)	119	120
Chartd. Bank of I. A. & C.	14⅜	14⅜
COMMERCIAL AND INDUSTRIAL		
Allied Ironfounders	42/3	42/9
Associated & Elec. Indus.	32/9	33/-
Austin Motors, Ord.	54/-	55/6
Boots Pure Drug	49/3	49/3
British-American Tob.	121/3	122/6
Canadian Celanese	92/6	98/9
Chinese Eng. & Min.	14/6	14/6
Courtaulds	58/10½	59/4½
Distillers	95/6	95/9
Dunlop Rubber	43/-	43/-
Electrical & Musical Indus.	25/-	25/-
General Electric (England)	58/9	58/-
Hawker Aircraft	28/9	27/3
Imp. Chemical Industries	36/-	36/-
O.K. Bazaar	23/4½	23/9
Imp. Tobacco	138/9	139/4½
Int. Nickel	$28	$28⅜
Rolls-Royce	164/4½	165/7½
Shanghai Elec. Cons.	48-/-	49/-
Tate & Lyle	84/4½	84/9
Turner & Newall	58/3	58/-
United Steel	30/7½	30/10½
Vickers, Ord.	12/9	13/1½
Watney Combe Reid, Def.	73/5	74/-
Woolworths	112/3	112/6
MISCELLANEOUS		
Anglo Dutch	23/7½	23/6
Gula Kalumpong Rubber	24/-	24/-
Pekin Syndicate	1/9	1/9
Rubber Plantation Invest.	32/7½	32/7½
MINES		
Burma Corp.	9/7½	9/9
Chosen Corp.	23/9	23/9
Commonwealth Mining	12/1½	12/1½
Randfontein Estates	55/6	53/9
Spaarwater Options	8/1½	8/-
Springs Mines	43/9	42/6
Sub-Nigel	272/6	265/-
Rhokana Corporation	96/3	100/-
OILS		
Anglo Persian	61/10½	60/7½
Burmah	79/4½	79/4½
Shell Trans. & Trad.	70/-	71/3
Marsman Investments Ltd.	35/-	35/6

At the request of the commercial and industrial concerns in Hangchow, banking circles there have decided to make a loan of $1,000,000 to relieve the financial situation. According to a Chinese report, the Hangchow Municipal Government will act as a guarantor for the loan.

NEW YORK STOCKS

Courtesy Swan, Culbertson & Fritz, Quotations by Reuter

Shanghai, June 22.

After establishing new highs for the current rally on Tuesday, industrials and rails broke sharply the following day in what appeared to be primarily a somewhat overdue technical reaction after the almost unbroken advance since the beginning of the month. It should be noted that when the market closed on Saturday the industrial average had advanced for eight consecutive trading sessions, a performance that has been equalled or excelled fewer than thirty-five times in the last thirty-eight years. The setback on Wednesday was touched off by selling of copper shares on the assumption that the end of the code for the industry might lead to price weakness but was soon checked by encountering large investment buying orders which had been outstanding slightly under the market. After the close of the market, however, President Roosevelt unexpectedly sent a special message to Congress asking for higher taxes on both industrial and corporate incomes and on gifts and inheritances. This open avowal by the Administration of the redistribution of wealth as a definite tax policy caused further heaviness in the stock market the next day and though quotations at the end of trading had rallied well above the day's lows, the general tone was uncertain. Utilities recorded the best performance of the week on expectations that the Wheeler-Rayburn Bill would be considerably modified. Commodities as a whole showed improvement for the week due chiefly to a rally in grain prices as a result of unwanted rain. Despite a further seasonal let down in some industries, such as steel, the New York "Times" Business Index advanced for the third successive week and the normal summer decline in business has not yet made its appearance.

The Market in Figures:

	Thursday June 13	June 20	Change
D. J. Average for 30 Industrials	117.89	117.24	off .65
D. J. Average for 20 Rails	32.46	33.02	up .56
D. J. Average for 20 Utilities	20.65	21.72	up 1.07
D. J. Average for 40 Bonds	95.90	96.15	up .61
D. J. 11 Commodity Index	55.92	56.31	up .39
North American	34½	17⅛	up 2⅝
Public Service of New Jersey	34½	38⅝	up 4½

Commodity Prices:

	Thursday June 13	June 20
Chicago Wheat	79	80½
Winnipeg Wheat	80¾	82⅝
Corn	79½	82
Cotton	11.47	11.59
Rubber	12.81	12.52
Silk	1.34	1.32
Sugar	2.41	2.32
N. Y. Times Index	82.3	83.5

Business:

	Previous	Latest
Steel operations (% of capacity)	39.0	38.3
Carloadings (carloads)	565,342	630,836
Automobile output (cars)	87,855	90,788
Electric power production (k.w.hrs.)	*1,724,000	*1,743,000
Average daily oil production (bbls)	2,643,000	2,724,000
Business failures	238	222

*000 omitted

Stock Outlook: Selectivity is still the dominant characteristic of the stock market and changes either up or down in the averages do not necessarily signify any general trend but rather the net balance of numerous contradictory movements among individual stocks. During the last couple of months market interest has rapidly veered from group to group. At one time the oils were in favour, next the metals, then the rails came to the fore and just now utilities occupy the spot light. Turnovers have been so relatively small as to indicate little public participation and this suggests the unlikelihood immediately of either a sweeping advance or a broad decline. No material change is expected in the market over the near term but it is generally believed that stocks are in a position to go convincingly forward as soon as legislation uncertainties are removed and some definite improvement in business provides the required stimulus.

Monday's Closing Quotations

	June 22	24
Amer. Can	144	141
Amer. Cyanamid "B"	22⅜	22
Amer. & For. Pwr.	4⅜	4½
Amer. & For. $7 Pfd.	29	27⅝
Amer. Locomotive	14⅜	14½
Amer. Radiator	15	14⅝
Amer. Smelting	42⅜	42½
Amer. Tel. & Tel.	128⅛	127½
Amer. Tobacco "B"	93⅜	92½
Amer. Waterworks	14	13⅜
Amer. Waterworks $6 Pref.	70½	70
Anaconda Copper	15⅛	15
Atchison, T. & S. Fe	47⅜	47⅜
Atlantic Ref.	26⅜	26½
Auburn	24	23½
Baltimore & Ohio	12⅛	12
Bendix Aviation	15½	15
Bethlehem Steel	27½	26⅜
Boeing Airplane Co.	7⅜	7⅜
Borden Co.	25½	25
Borg Warner	40⅜	40⅜
Case, J.I.	56½	57⅜
Can. Pacific Rly.	10⅜	10⅜
Caterpillar Tr.	49	49½
Chase Nat. Bank	25⅛	25⅜
Chesapeake & Ohio	43⅜	43⅜
Chrysler	50½	49⅜
Columbia Gas & Elec.	7⅜	7⅜
Coml. Solvents	19⅛	19⅜
Comm. & Sthrn. (Ord.)	1⅜	1⅜
Comm. & Sthrn. $6 Cum. Pref.	46⅜	47⅛
Consolidated Gas of N.Y.	26⅛	26⅜
Continental Oil	21⅞	21⅛
Corn Products	76⅞	76⅜
Coty Inc.	4⅜	4⅜
Douglas Aircraft	25⅛	25⅛
Du Pont de Nemours	105	104
Elec. Bond & Sh.	8⅛	8⅛
Elec. Bond $5 Pref.	53	54
Elec. Bond $6 Pref.	59⅛	60⅛
Fox Film "A"	15⅛	14⅜
Gen. Elec.	26⅜	26⅜
Gen. Foods	37⅛	37
Gen. Motors	33⅛	33⅜
Gold Dust	17⅛	17⅜
Goodyear Tire & R.	18⅛	18
Int. Cement	30⅛	30⅛
Int. Nickel	27⅜	27⅜
Int. Tel. & Tel.	10⅛	10⅛
Johns Manville	53	53⅛
Kennecott	18⅜	18
Loew's Inc.	41⅛	41⅜
Lorillard	21⅛	21
Montgomery Ward	28⅛	28⅛
Nat. Biscuit	30⅜	30⅜
Nat. City Bank	24⅛	23⅛
Nat. Dairy Prods.	16⅛	16⅜
Nat. Distillers	25⅜	25⅛
Nat. Power & Lt.	9⅛	9⅜
New York Central	18⅛	17⅞
North Amer.	18⅛	17⅛
Pacific Gas Elec.	25⅛	25⅛
Pacific Lighting	35⅛	36
Packard Motors	4⅛	4⅛
Pennsylvania R.R.	23⅜	23⅛
Phillips Petroleum	22⅛	22
Public Serv. of N.J.	38⅛	39
Radio Corp.	5⅛	5⅜
Reynolds Tobacco "B"	51⅜	51⅜
Schenley	27	27⅛
Sears Roebuck	42⅛	43
Socony-Vac.	13⅜	13⅜
Sthrn. Cal. Edison	20⅛	19⅞
Sthrn. Pacific	19⅛	18⅞
Sthrn. Rail.	10⅜	10⅛
Stand. Brands	16	16
Stand. Gas & Elec.	4	4
Stand. Oil of Cal.	36⅛	36⅛
Stand. Oil of N.J.	48⅛	49
Sterling Prods.	63⅜	63⅜
Texas Corp.	21⅛	20⅛
Texas Gulf Sulphur	34⅜	34⅛
Transamerica	6⅛	6⅛
Un. Carbide & Carbon	63	62⅛
Un. Pacific	105	106
Un. Aircraft (New)	14⅛	13⅜
Un. Airline Trans.	5⅞	5⅛
Un. Corp.	4	4⅛
U. S. Rubber	13	12⅜
U. S. Steel	34⅛	33⅛
Vanadium	13⅜	13⅜
Warner Bros. Pict's	4⅜	4⅛
Westinghouse Elec.	52⅞	53⅛
Adams Express	6⅜	6⅛
Alaska Juneau	16⅛	16⅜
Amer. Metal Co.	19⅛	19⅜
Atlas Corp.	9⅛	9⅜
Chesapeake Corp.	42	42
Consolidated Oil	9	9
Crown Cork, $2.70 Pref.	47	46⅛
Curtiss Wright (Com.)	2⅛	2⅛
Curtiss Wright "A"	7⅛	7⅛
Elec. Power & Lt.	3⅜	3⅜
Gen. Rail. Signal	28⅛	29⅜
Glidden Co.	31⅜	30
Int. Harvester	45⅜	45⅛
Lehman Corp.	80⅛	80⅛
McIntyre Porcupine	41⅜	40⅜
Otis Elevator	18⅛	18⅜
Pennroad Corp.	2⅛	2⅛
Republic Steel	13⅜	13⅛
Simmons Co.	9⅜	9⅛
Un. Gas Imp.	15	14⅜
Univ. Leaf	65⅛	65⅛
U. S. Rubber $8 1st Pref.	32⅛	32
Woolworth	64⅛	63⅜
BONDS		
Abitibi Power & Paper	28	28⅛
Amer. & For. Power	71⅛	71
Amer. I.G. Chem.	110⅛	110⅛
Amer. Waterworks	86⅜	87
Columbia Gas & Elec.	89⅛	89⅛
Goodyear Tire & R.	104⅜	104⅛
Int. Tel. & Tel. Conv.	83⅛	81
Int. Tel. & Tel. 5s	75⅛	74
Nat. Dairy Products	104⅜	104⅛
New York Central	109⅛	109⅜
Sthrn. Rly.	56	56
Stand. Gas & Elec.	46⅜	45⅜

CHINESE BOND MARKET REVIEW

By courtesy S. D. Wang & Co.

Shanghai, June 24.

Wide fluctuations featured the week's trading ended June 22nd. The market continued to show signs of strength as it gained much more rapidly than it declined resulting in net gains for all but two issues.

As trading reached its last week for the month, there was a steady tendency for prices to mount higher as shorts bought for cover. With the close of the month, much however will again depend on the political situation which alone will dictate movements of the market.

Disbandment proved to a big gainer as its prices went up more than one point during the week. On the other hand, 96 Millions lost half a point, the only issue other than 6 per cent. Consolidated to go down.

The week opened with slight firmness in the morning which gave way to sharp declines in the afternoon. Losses were heavy, ranging from one point down. Prices were still weak on Tuesday but the losses sustained were comparatively small due largely to a strong reaction at the last session.

From Wednesday to Friday, the market was definitely strong, moving higher by rapid strides which reached a maximum on Thursday when gains as high as 1.35 were registered. On Saturday is receded by substantial fractions in the morning but subsequently recovered somewhat to reduce the losses.

Business transactions for the week totaled 133,800,000. Maximum fluctuation was registered by Currency which moved over a range of more than three points.

To-day is the last day for current month trading. June settlement will take place on Thursday and August quotations will open on Friday.

Issue		Open-	High	Low	Close	Last Cl.	Com.	Fluc.	Trans.
18th Yr. Customs	June	22.20	22.20	21.95	22.20	21.20	+1.00	0.25	45,000
Reorganization	June	36.80	36.85	35.50	36.25	35.90	+0.35	1.55	1,350,000
	July	36.20	36.80	35.00	36.20	35.90	+0.30	1.80	1,465,000
Disbandment	June	70.50	71.55	68.70	71.25	70.05	+1.20	2.85	2,205,000
	July	69.60	71.15	68.30	70.70	69.60	+1.10	2.85	6,370,000
19th Yr. Customs	June	37.70	38.45	36.80	38.10	37.50	+0.60	1.65	1,770,000
	July	37.15	37.85	36.45	37.55	37.05	+0.50	1.40	2,855,000
Rehabilitation	June	43.00	44.10	41.95	44.80	42.90	+0.90	2.15	1,155,000
	July	42.45	43.80	41.60	43.15	42.50	+0.65	2.20	1,705,000
20th Yr. Customs	June	45.20	46.75	44.30	46.25	45.60	+0.65	2.45	2,650,000
	July	45.20	46.55	44.25	46.00	45.25	+0.75	2.30	4,265,000
20th Yr. Customs	June	45.20	46.75	44.35	46.50	45.50	+1.00	2.40	2,410,000
	July	45.20	46.60	44.25	46.10	45.25	+0.85	2.35	4,775,000
Consolidated Tax	June	50.55	51.85	49.30	51.10	50.65	+0.45	2.55	3,575,000
	July	50.30	51.65	49.00	50.95	50.40	+0.55	2.65	6,380,000
Salt Revenue	June	51.35	52.70	49.90	52.35	51.65	+0.70	2.80	5,05,000
	July	51.05	52.50	49.85	52.05	51.30	+0.75	2.65	11,215,000
20th Yr. Currency	June	70.30	72.20	69.05	71.55	70.80	+0.75	3.15	5,825,000
	July	69.85	71.35	68.30	70.80	69.95	+0.85	3.05	10,410,000
6% Consolidated	June	64.90	64.30	61.70	63.45	63.65	—0.20	2.60	1,935,000
	July	64.75	65.00	62.85	64.35	64.25	+0.10	2.15	5,840,000
22nd Year Customs	June	53.35	54.75	52.10	54.10	53.25	+0.85	2.65	6,915,000
	July	53.35	54.60	52.00	53.90	53.05	+0.85	2.60	12,515,000
23rd Yr. Customs	June	63.50	64.15	62.20	63.75	63.00	+0.75	1.95	5,975,000
	July	63.55	63.60	61.75	63.00	62.35	+0.65	1.85	8,820,000
96 Millions	June	9.50	9.50	8.80	8.90	9.45	—0.55	0.70	8,210,000
	July	9.60	9.70	9.00	9.15	9.65	—0.50	0.70	8,005,000

Hongkong & Shanghai Banking Corporation

(Incorporated in Hongkong)

CAPITAL

Authorized	$50,000,000
Issued and fully paid up	20,000,000

RESERVE FUNDS:

Sterling	£6,500,000
Silver	$10,000,000

RESERVE LIABILITY OF PROPRIETORS $20,000,000

Head Office: HONGKONG

London Branch: 9 GRACECHURCH STREET, E.C. 3

Shanghai Branch: 12 THE BUND

Sub-Agency: 27 BROADWAY

New York Agency: 72 WALL STREET

INTEREST allowed on Current Accounts and on Fixed Deposits according to arrangement.

LOCAL BILLS discounted.

CREDITS granted on approved securities and every description of Banking and Exchange business transacted.

DRAFTS granted on London and the chief commercial places in America, Africa, Australia, China, Europe, India and Japan.

SAFE DEPOSIT BOXES to rent.

SAVINGS BANK OFFICE Accounts will be kept in Dollars Local Currency.

Full particulars on application

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Company Meetings

"MAATSCHAPPIJ" CO. LOSSES

Total of $46,513.26 to Add to Debit Balance of $238,770.55: Timber Department Winding Up

With the Rubber Department showing a good profit and all other interests active excepting the Timber Department which will be wound up and the Borneo Concession which is facing difficulties, a total loss on the past year's working of the Maatschappij tot Mijn-Bosch-en Landbouw-Exploitatie in Langkat of $46,513.26 was reported at the 32nd. annual general meeting on Thursday in the offices of the general agents, Messrs. George McBain, at 11.30 a.m.

The chairman reported that the rubber account showed a profit of $137,723.23. In answer to questions put by Mr. L. Soyka the chairman said it was proposed to wind up the timber department during the coming year.

Messrs. A. J. Welch and Mr. E. B. McBain, directors, and shareholders representing 45,630 shares, were also present.

The chairman said:—

The general profit and loss account shows a loss on the year's working of $46,513.26, which added to the debit balance of $238,770.55 brought forward from last year, makes a total of $285,283.81 at debit of this account, which it is proposed to carry forward.

A debit balance of $28,128.54 has been transferred from oil and sundry working account to general profit and loss account. Included in this amount is the loss of $57,789.80 transferred from timber working account. This loss is made up by $32,157.50 incurred in realisation of stock at Shanghai, and $25,632.50 at Samarinda. This latter amount is composed for the greater part of depreciation and the necessary expenses for looking after our property and machinery at that port.

Oil royalty for the year amounted to $24,576.09 and has been credited as usual to oil and sundry working account.

The loss of $116,529 as shown in the working account of Rantjah Sirang Diamond Concessions for the five months ended October 31, 1934, and given in detail in the accounts has been transferred to general profit and loss account.

Rubber Working Account

The Rubber Working Account shows a profit of $137,723.23 for the past financial year, which amount has also been transferred to general profit and loss account.

At the last annual meeting I informed you that certain negotiations were in progress with the Bataafsche Petroleum Maatschappij with a view to increasing the production from our Darat Field. The upshot of the negotiations was an offer by the Bataafsche Petroleum Mij. to pay us a lump sum in lieu of the royalty to which we were entitled, but I regret to state the sum offered was such as your directors could not recommend the shareholders to accept. Owing to the difficulty of negotiating by correspondence, we have asked Mr. C. Grumitt, a director of the company, and a partner in the firm of Messrs. McAuliffe, Davis and Hope, auditors, who has recently gone on home leave, to interview the authorised representative of the Bataafsche Petroleum Mij. and further discuss the matter on our behalf.

The following are comparative figures of Oil Production during the years:

Year	Tons	Guilders	In Dollars
1931/2	1286.1	F.12,592	$22,941.03
1932/3	1469.8	F.14,098	$27,860.94
1933/4	1282.6	F.12,826	$24,576.09

Borneo Concessions

I am glad to be able to inform you that since the end of the financial year under review we have received encouraging reports from our engineer-in-charge on our concession at Rantjah Sirang. The following information was received by telegraph from Borneo, and was published in the local press:

"Information has also been received from the resident engineer that a clear white diamond of 13¾ carats has been recovered, and that in his opinion the main diamond channel has been located."

Further, I cannot do better than quote the comments of our engineer-in-charge in a letter we received dated April 25, 1935, under the heading of recoveries:

"For the week we have treated some 550 cubic metres of gravel for a recovery of 854 diamonds, weighing 174.70 carats and 32.0 grams of gold. There is also a considerable quantity of gold and platinum concentrate not yet treated. We have been so innundated with both diamond and gold concentrate that it has been necessary to store the latter until the labour can be spared to treat it."

This was followed by a letter dated May 4 in which I wish to draw your special attention to the following lines:

"You will I am sure realise that taking only the high-grade gravel this mine has a wonderful future."

It is very gratifying to me personally to know that our enterprise in Borneo appears to have such a bright outlook. As you are all aware I have spent, not without anxiety, a great deal of my time during the last three years in arranging the affairs of this concession.

More Difficulties in Way

With regard to the future development of our concession, we have still considerable difficulties to overcome. In this part of Borneo where physical and climatic conditions have to be contended with, progress is naturally slow, and I have to ask you, gentlemen, to be indulgent. During the year under review we have experienced first of all great difficulties in mining our gravel owing to the unusually tough nature of the clay, and a method of puddling the clap had to be devised. Difficulties were also experienced through our striking unexpected sheets of laterite, which seriously hampered and damaged our monitors. Added to this, the coils of the electrical equipment of our dressing plant failed us badly by continually burning out. The suppliers of the equipment now admit that the damp climatic conditions of Rantjah Sirang are the cause of these serious breakdowns. They have made an offer to replace the defective equipment, but this does not satisfy our engineer, as he is of the opinion that satisfactory screening up to the capacity at which we wish the plant to operate, will not be obtained by accepting their offer.

Expert Advice

I wish to bring to your notice that our engineer-in-charge, Mr. Mills, was engaged through the good offices of the General Electric Company, London, and is a very experienced mining expert, having previously held the position of engineer-in-charge of a very successful diamond field in Africa. He has also been in charge of gold mines and other mineral mining operations. Your directors therefore feel confident that his advice should be followed.

We are in correspondence with the suppliers of the equipment with regard to these serious defects, but I do not think that at this juncture it would be wise to make further comments on the subject. I can only assure you that every effort is being made to rectify this serious state of affairs.

Turning to the actual mining: Production commenced from the June 1, 1934, and the following were the recoveries during the five months from June to October, 1934, with the dressing plant only working at a fraction of the makers' estimated capacity:

1934	Diamonds carats	Gold & Platinum Concentrates grams
June	112.97	93.87
July	81.11	90.27
August	56.86	54.50
September	89.06	49.46
October	36.92	42.52
Total	376.92	330.62=10.6 ozs.

Since the end of our financial year there has been a great improvement in our production as shown by the following figures:—Nov. 1934 to May 1935, 1439.30 carats making 640.85 grams equalling 20.6 oz.

In amplification of these figures I wish to draw your attention to my speech at our last annual meeting in which I informed you that the production for June 1934 was 120 carats of diamonds and 2½ oz. of concentrates of gold and platinum. The value given was F.2,875 but as a matter of fact the actual price obtained was about 10 per cent. in excess of that figure. Our latest information shows a great increase in recoveries which is as follows:

APRIL

Diamonds 515 carats
Concentrates 120 grams=3.85 ozs.
Valued at F.10,050

MAY

Diamonds 430 carats
Concentrates 287 grams=9.22 ozs.
Valued at F.9,059

The average value per cub. metre of the gravel treated in June 1934 by our dressing plant was approximately F.1.25. I am glad to be able to inform you that there has been a great improvement in the value per cub. metre treated. Information received for the month of April 1935 shows the value per cub. metre of the gravel treated to be Glds. 4.25. Further, in the last few weeks the average value per cub. metre of gravel treated is in the vicinity of Glds. 5.

Diamond Channel Located

In comparing the figures I have given you with the estimated valuation given by the late Mr. Gilmour Brown and Mr. Hannay we must bear in mind that their estimates included the overburden, which is not treated by our present dressing plant. We find Mr. Gilmour Brown's estimate including overburden was 47 guilder cents per cub. yd., while Mr. Hannay's was 40 guilder cents per cub. yd. According to Mr. Mills the whole of the area we have excavated taking the overburden into account is 63 guilder cents per cub. metre (or 48 guilder cents per cub. yd.) and now it has improved to 104 guilder cents per cub. metre (or 79.5 guilder cents per cub. yd.) This, gentlemen, is a great deal in excess of any estimate we have previously had. Regarding the valuation of diamonds, our present figure is 25 per cent. below that of Mr. Gilmour Brown. Needless to say there appears to be little doubt that Mr. Mills has successfully located the diamond channel which is responsible for giving us such high results. Moreover, I wish to impress on you that if the values of our recoveries had not come up to the estimates of our engineers, there would be of course no alternative but to close down, but as things are, when the various difficulties have been overcome, there appears to be little doubt as to the eventual financial success of the Mine.

Our recoveries of diamonds during the period under review, and up to the present date, have been increasing in size. At one period we were averaging 10 diamonds to the carat, and lately we have had information that our average is now about 4 diamonds to the carat. The largest stone recovered being the clear white diamond of 13¾ carats, and many have been recovered of two to four carats. The average colour of our stones is considered good by the buyers.

Turning to the disposal of our stones, there has been a ready market for our diamonds in Amsterdam, and we have made arrangements through the Nederlandsche Handel-Maatschappij to look after our interests. I am glad to be able to report that the arrangement is working to our entire satisfaction.

Gold Prospecting

At our last annual meeting I informed you that a scheme had been drawn up to systematically prospect our areas for Gold. During the year under review one of our engineers has done a considerable amount of work with the object of locating areas containing coarse gold. The gold recovered from our present diamond working is extremely fine, and the value per cub. metre has not come up to expectations. The engineer detailed for this work has now definitely located coarse gold in an area beyond our S. E. boundary. The prospecting was held up for some time owing to our having no rights over this area. It was necessary to make a correct survey before application could be made on behalf of the company for the sole rights of prospecting over these new areas. I am glad to report that a few months ago sole prospecting rights over approximately 10,000 hectares, or 25,000 acres were granted by the Royal Netherlands East Indies Government, and we are still expecting further areas to be granted. Should we be fortunate enough to obtain all we have applied for, the total will be 28,285 hectares or about 70,000 acres.

We are now boring in a part of this new area. The results up-to-date justify further prospecting. Our engineer has reported to us that in a certain area he has located a gold bearing stratum thirty centimetres in thickness which is covered by 4.15 metres of overburden, and by hydraulicing, a test "clean-up" proved the value of coarse gold in the stratum to be Glds 3.80 per cub. metre. We have no information as yet regarding the extent of the stratum.

Death of Field Foreman

I regret to have to report that our field foreman, Mr. Yashke, a German by nationality, unfortunately succombed to a severe attack of malaria. I wish here to express the board's sympathy with his relatives in their sad bereavement.

There were also a few fatalities amongst our labour force, but health conditions generally at Rantjah Sirang may be considered quite satisfactory.

Reference to these concessions will not be complete without recording our thanks for the assistance and support accorded to us freely and willingly by H. E. the Resident of S. E. Borneo, the director general of the mining department at Bandoeg, and the other officials of the Royal Netherlands East Indies Government.

Timber Operations Suspended

As reported at our last annual meeting, our timber mill at Samarinda has entirely suspended operations. There have been enquiries for the purchase of our undertaking at Samarinda and Shanghai, but no concrete offer has yet been made.

Rubber working account for the year ended October 31, 1934, shows a profit of $137,723.23, which has been transferred to the general profit and loss account. The total expenditure on the estate during the year including ample allowance for depreciation, with the exception of expenditure on clearings and 20 per cent. of the general charges, has been charged to rubber working account.

The crop harvested during the year amounted to 1,070,427 lb., which was produced at a cost of guilder cents 9.44 per lb. at parity of exchange approximately 1.89d. per lb., including depreciation, shipping charges and 80 per cent. of all general charges; compared with 1,045,500 lb. costing guilder cents 9.29 or at parity of exchange 1.86d. per lb. in the previous year.

The estate was visited during March by our visiting agent, Mr. Pinching, who reports favourably regarding the conditions prevailing. The factory, machinery and buildings were maintained in good repair, and no additional capital expenditure was incurred. The planted acreage of the estate remains unaltered from the previous year at 3,780.7 acres.

During the period under review, I am sorry to report our manager, Mr. Baldock, was taken seriously ill, but I am glad to say that he has now recovered and is again managing the estate.

That, gentlemen, is all I have to say, and I now propose: "That the report and accounts for the year ended October 31, 1934, be adopted, seconded by Mr. Welch.

Gentlemen, the resolution proposed by myself and seconded by Mr. Welch is now before the meeting, and before putting it to the vote, I shall be happy to answer to the best of my ability any questions you may wish to ask.

Mr. Hogg's Questions

Mr. Hogg questioned the value of the timber assets as stated in the balance sheet. The Chairman replied that it was difficult to put a true valuation on the Samarinda assets, which entirely depended on whether it was possible to find a buyer.

Mr. Hogg remarked that the loan secured by mortgage appeared in the previous year's balance sheet as $22,148.02 and in the present balance sheet as $221,562.41. He asked whether a general mortgage on the company's properties was granted, to which the chairman replied that only a specific part of the company's land had been mortgaged as security against the loan.

The Resolutions

The following resolutions were then put to the meeting and carried:

That the report and accounts for the year ended October 31, 1934, be adopted; proposed by Mr. W. R. McBain and seconded by Mr. A. J. Welch.

That Mr. A. J. Welch be re-elected a director of the company; proposed by Mr. F. P. Yearley and seconded by Mr. G. F. H. Bichard.

That Messrs. Lowe, Bingham & Matthews be re-elected auditors for the ensuing year; proposed by Mr. A. W. Reynell and seconded by Mr. E. B. McBain.

SAME DIVIDEND BY KELLY & WALSH

Singapore Branch Shows an Improvement: Hongkong Branch Also Makes a Profit

Despite the general trade depression, with the consequent curtailed purchasing power of the community, Mr. A. E. Glover, chairman, speaking at the annual general meeting of Messrs. Kelly & Walsh Ltd., held at the offices of the company, 22 Nanking Road, on Tuesday, June 18, said that he was glad to report that the usual dividend was being maintained.

The chairman was supported by Messrs. A. J. Waller, director, and A. S. de Jesus, secretary, and shares present or represented totalled 35,498.

Mr. Glover said:—

Before proceeding with the business of this meeting, I wish to record the loss the Board has sustained through the resignation of Mr. A. W. Burkill upon his retirement to England. Mr. Burkill had been a director of this company for the past ten years, and the advice and help he has given and rendered us during that period have been invaluable. We trust he will be spared many years to enjoy at home the leisure his retirement has brought. In accordance with our usual practice I will first propose that the directors' report and accounts together with the Auditors' certificate which were recently submitted to you, be taken as read.

It is unnecessary for me to elaborate upon the general trade depression, and curtailed purchasing power of the community, as that is well known to you all. It is therefore the more gratifying that we are able to maintain what we have come to consider to be our usual dividend. Before formally moving the resolution that the Accounts be adopted, I will follow the customary procedure and say a few words in amplification of the report before you.

Hongkong and Singapore

The turnover of the Singapore branch shows a definite improvement over the previous year, and consequently our profit has been increased. If the present improvement in business in the Strait Settlements and Federated Malay States is maintained, we have every reason to expect better returns in the near future. You will be interested to know that extensive alterations are being made to the property we recently purchased. They were sufficiently advanced to enable us on June 1 of this year to move into the portion we require for our own business. Figures relating to the same will appear in the current year's accounts.

Business has been very difficult in Hongkong during the past year, owing to the general depression in trade. It is therefore a satisfaction to be able to inform you that our branch there has contributed to the credit of the profit and loss account, though in a smaller degree. Until economic conditions improve in the Colony, we cannot expect to see much improvement in the returns.

Shanghai Trade

Trading during the past year has been extremely difficult, and it is therefore a pleasure to be able to report that the returns of our store at 22 Nanking Road have been well maintained. Unfortunately the same cannot be said of our printing works in Ferry Road, which shows a still further decrease, which is indicative of the conditions prevailing here. I fear that until there is a general improvement in business locally, we cannot expect to see any appreciable rise in the returns of this department. A very careful check is being kept on overhead expenses, which have been reduced as far as the efficient running of the business will permit. Our branch store at the corner of Bubbling Well and Seymour Roads has also contributed its share to the Profit and Loss account, notwithstanding the increase in rent and Municipal rates to which I referred when last we met.

The Accounts

Turning to the Profit and Loss account, it is gratifying to note that all four accounts mentioned therein have, as in previous years, contributed to our profits. Touching on the Reserves, these have been increased in accordance with the appropriations made last year, and we propose to allocate a further sum of $30,000 to Building Reserve, regarding which a recommendation subject to your approval is made in the Report. Expenses incurred in connection with the extensive alterations being made to our Singapore property already referred to, will be drawn from the Building Reserve. Sundry creditors show a small increase on last year of some $800. Land and Buildings you will notice remain as at last year, the former being considerably under the assessed value. The usual depreciation has been allowed on Plant and Machinery, and Furniture and Fixtures. Stock in trade and sundry debtors have been considerably reduced, and that shows our favourable position in the difficult times through which we are passing.

In conclusion, I would say the directors wish to make special reference to the excellent work of our staff, both Asiatic and European, to whose loyalty and co-operation the satisfactory statement now submitted is so largely due. I therefore hope they have your consent to distrbute at their discretion the commission bonus on the same basis as hitherto, which amount has been allowed for in the accounts.

The Resolutions

The following resolutions were then passed unanimously:—

That the Report and Accounts for the year ended February 28, 1935, together with the recommendation as to appropriation of balance at credit of Profit and Loss Account, as presented, be received, approved and adopted; proposed by Mr. A. E. Glover, and seconded by Mr. V. M. Allington.

That Mr. A. J. Waller and Mr. J. H. Searle, having retired by rotation, be re-elected directors of the company; proposed by Mr. S. O. Gregory, and seconded by Mr. N. P. Marsoff.

That Messrs. Lowe, Bingham & Matthews be re-elected auditors to the company for the ensuing year at a remuneration of Tls. 700 or its equivalent; proposed by Mr. V. M. Allington, and seconded by Mr. V. S. Pastoohoff.

THE native dyestuffs and paper manufacturers have petitioned the Government for an increase in the import duties on such products. The Ministry of Finance and Ministry of Industry have devised measures for the relief of the paper industry.

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LETTERS TO THE EDITOR

COMPANY LAW

Abuse of Extraterritoriality

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—With reference to your leader "Company Law" it should be stated that the abuse of extraterritorial privileges has been more widespread than is generally imagined. In fact these privileges can be said to be sold to other nationals.

The British consular authorities have for some time discouraged British subjects registering Chinese owned land as British property, thus allowing the beneficial owners to enjoy British protection, etc. This practice can be said to have ceased outside the Settlement and Concession limits.

Judge Helmick's decision in connection with the Metropolitan Sporting Association case is definitely a new step in the abolition of extra-territorial privileges for those without.

There is yet another form of surreptitious ownership which should be investigated, that is, many non-British interests loan money in the names of their British legal advisers. The object being that there would be British protection for the money; that the borrower is always under legal threat; there would be no risk of delay through the courts; and the surreptitious lender, in the position of a broker, can thus lend money at discount equal to the brokerage.

I should not be surprised if foreign companies have been incorporated for the sole purpose of defeating the laws of other countries.

In the near future I dare say the consular frown will produce the scratchings of many legal heads.

A. P. L.

Shanghai, June 19.

Further Examples

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—The letter of your correspondent "A.P.L." and your leaderette "An Abuse" are very timely in the light of the present consular opinion. There is no doubt that both the United States and Great Britain view the question of extraterritorial rights distinctly as privileges of which, if abused, the Chinese Government have a really very strong case for the abolition.

The "sale" of extraterritorial privileges goes back rather murkily into the days when Chinese could obtain foreign nationalities from certain countries by means of mere purchase, as I believe recorded in your columns of some years ago. This has given the Chinese Government, particularly the now defunct Mixed Court, much obstruction in the execution of justice. This was eventually very cleverly stopped by Nanking in not recognizing the "cloak" nationality of these Chinese on the ground that denaturalization papers were necessary for all Chinese who claim foreign nationalities.

A new loophole had to be sought: it was found that businesses could be incorporated and moneys could be lent in such a manner as to receive the protection and privilege of countries with extraterritorial rights.

Although in many cases Chinese interests receive in some way or other foreign protection which cannot be avoided, the foreign interest involved may even be an insurance policy, it is the most flagrant of the abuse of extraterritorial privileges which should receive official pressure, as these do no end of harm to the reputation of the foreigners and the international relations of this country.

PRIVILEGED.

Shanghai, June 20.

Yang Shang Kwa Hao

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—It is of much interest to read the letters of your correspondents "A.P.L." and "Privileged" on abuses of Extrality rights which appear to have been a disgraceful scandal on the part of some of our unscrupulous merchants and legal practitioners here and it is time to call a halt to same. We Chinese have sufferred much in consequence of these methods of dealing, while the innocent foreigners have to bear the blame. They call it *Yang Shang Kwa Hao* (洋商掛號) or masquerading under a foreigner's name, which has been a well-known practice and generally accepted here as foreign protection. The most recent type of foreign protection is the employment of Russian bodyguards for those who have benefited much from their purchased privileges from foreign commercial mercenaries.

The presence of foreigners even in honest business transactions hase, therefore, been often looked upon with suspicion.

ONLOOKER.

Shanghai, June 21.

A.-O. BANK

Some More Questions

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—"SEARCHLIGHT'S" letter encourages me to ask if any cleverer brain than mine among your readers can elucidate the following points which are puzzling me:—

(a) Vide "N.C.D.N. of May 25: "Mr. Raven said 'The Bank is now in a position to pay 100 cents on the dollar....We could have continued business but.....we agreed that our first duty was the restitution of money owing to depositors."

Vide "N.C.D.N." of June 15: "A rare collection of old coins was disclosed as the entire cash currency assets on hand when the vaults of the Bank were opened."

Query: Exactly how does a Bank "continue business" when its entire cash in hand consists of a collection of antique coins?

(b) As regards the sad tale of the missionary quoted by Mr. Hough in your issue of June 15, how can a man have his entire life savings in the bank and yet have an overdraft of $9,000? I suppose the answer to that is that he had his life savings on fixed deposit and the overdraft on his current account

Query: If a man has, say, $20,000 on fixed deposit and a $9,000 overdraft on current account, is it not a quixotic action to pay the overdraft while the Bank retains his $20,000? Could such payment be legally enforced?

(c) Again referring to the case of the missionary, I understand it has always been the custom for British banks, even in prosperous times, to allow overdrafts only up to, at most, 60 per cent. of sound collateral. Under these conditions it would therefore have been necessary for the missionary to have at least $15,000's worth of securities, which he would surely get back on repayment of the overdraft. And yet Mr. Hough's comments are "It simply means that this man must start all over again."

Query: Is one to gather from the liquidator's comment that A.-O. Bank was in the habit of advancing large overdrafts without any security, and if, as we were repeatedly assured by the Bank's President, depositors are going to be paid in full, why does the liquidator say this man must start all over again?

(d) Vide "N.C.D.N." of May 25: "Mr. Raven stated emphatically that the Bank had no interest in the so-called allied companies, meaning the A.-O. Finance Corporation, The Raven Trust Co., and the Asia Realty Co."

Query: What is Mr. Raven's definition of "an interest" in a company? According to the figures shown in the liquidator's statement, out of the total assets of the A.-O. Bank of approximately $11,000,000, nearly $2,000,000 had been loaned to the three companies above mentioned. Does this not constitute "an interest"?

I would very much like to have these points explained to me.

JUST ANOTHER DEPOSITOR.

Shanghai, June 18.

•••Comment on page 506.

A Reminder

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—With reference to the report in your paper of to-day wherein the Liquidator of the A. O. Bank states he is about to "let loose the Dogs of War" in an attempt to collect moneys due the said Bank, it is to be hoped the Liquidator will not forget the recent warning of the S.M.C. that all dogs let loose in the Settlement must be duly muzzled.

"HYDROPHOBIA."

Shanghai, June 21.

FROM VICTORIA

Correspondence Invited

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—Would you be kind enough to publish a few lines asking any of your readers if they would like to exchange greetings and postage stamps with me. I hold a responsible position in charge of a division of Southern Motors Co., Ltd., and I have been an officer of the Company for some years. I am very fond of all healthy outside sports and have a beautiful collection of postage stamps. Thanking you in anticipation, and any letters written in Chinese I could have translated to me here.

C. C. SMITH.

131 Lousdale St.,
Melbourne, Victoria,
Australia, May 24, 1935.

NO MEN NOVELISTS

Mr. Lunt's View

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—In the leaderette printed under the title "No Men Novelists" in your to-day's issue you present your readers with an interesting reference taken from the "China Review" in which the writer seems to deplore the scarcity of male writers of novels on China, pointing out that women seem to hold the field entirely to themselves. The writer of the reference will be still further concerned when he knows that L. Adams Beck, whom he described as one of two male writers on fiction dealing with China, was also a woman. This writer of delightful prose was the wife of a retired British naval officer and lived for some years in Victoria, British Columbia, but later took up residence in Kyoto, Japan, where she wrote several charming novels dealing with the love affairs of westerners and Japanese. She died several years ago, and her ashes were buried in the grounds of a Buddhist temple in accordance with her wishes, as she was very interested in that religion. She wrote several fine biographies under the pseudonym of E. Barrington, the best known, perhaps, being on Lord Nelson and Lady Hamilton, a talking or silent picture, (I forget which) of which was shown at the Embassy theatre in Shanghai some years ago under the title, "The Enchanted Lady."

Another inaccuracy which I feel should be pointed out is the writer's reference to the late Putnam Weale's work as a novelist. That gifted author never stopped writing novels twenty-five years ago as we are incorrectly informed. His last novel, "The Port of Fragrance" was published the same year (1930) in which he was so brutally assassinated in Tientsin; and "Wang the Ninth" was published only three years before that, a book which W. Somerset Maugham said was Putnam Weale's best effort, and should have aroused much greater interest than it did.

One reason why men writers on China do nothing, if anything, in the way of fiction on China, is because they are so much interested in politics, books on which come off the presses regularly. I have only to mention such names as Upton Close, Nathaniel Peffer, George E. Sokolsky, Grover Clark, O. D. Rasmussen and Rodney Gilbert to show how politics seems to engage the interest of good male writers, rather than fiction. But when such good work is being done by women writers in the realm of fiction, not only would it be imprudent to compete with them, but it would make a superfluity of what is so well and entertainingly presented already.

CARROLL LUNT.

Shanghai, June 19.

A Refutation

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—I have read with interest and some surprise your "Comment" of June 19 on the special Book Number of the "China Review" as well as Mr. Carol Lunt's letter upon it in your issue of June 20. Whoever wrote the article referred to by you has made a bad mistake, for it is entirely erroneous to suggest that there are more women writers of novels with a Chinese setting and characters than men.

When I saw Mr. Lunt's letter I thought he was going to point out this mistake, but I see that he wrote to correct other mistakes. Even so he is in error himself in saying that Putnam Weale's last novel was "The Port of Fragrance," published in 1930; for I have recently read one by him the title of which I have forgotten, but which was published either in 1933 or 1934. It was not in his best style, and the thought occurred to me as I read it that it might have been left by him in the rough when he died, and was subsequently prepared by some one else for publication. It told of the adventures, financial, mining and political, of a forceful foreigner, in Shanghai, Peking and Inner Mongolia, and the machinations of a Shanghai Chinese crook lawyer, the period being that covering the few years before the author's death.

But what I would like to point out is that there are actually more male Western authors of novels on China than female; only their works have not, apparently, come into the limelight to the same extent.

Rodney Gilbert wrote at least one novel in which the characters were all Chinese and the scene entirely laid in China, namely, in the middle valley of the Yellow River. He called it "The Inscriptions of Lin Mang."

"Man's Fate," also published under the title "Storm in Shanghai," is a translation of "La Condition Humaine" by Andre Malraux, a man. And surely Shanghai has not forgotten D'Auxion de Ruffé's novel "In the Shadow of the Pagodas?" Mr. Carol Lunt's modesty apparently caused him to refrain from mentioning his own novel "His Chinese Bride."

Some years ago I read a novel describing the adventures of a young Szechuen peasant, who became alternately a soldier and a bandit. It was written by a missionary, a man, whose name I fail to remember. The title was "The Laughing Buddha."

Damien Martel wrote a novel on Peking called "Silhouettes of Peking," which has been translated into English.

Paul King, formerly of the Customs Service, father of Louis King, wrote, jointly with Veronica King, a readable novel called "The Commissioner's Dilemma," which dealt with the adventures of a young British member of the Customs Service in Canton, who got mixed up with Chinese revolutionary plotters.

Norman Hinsdale Pitman wrote "Dragon Lure" in 1925, which was a romance centred in Peking during the days of Yuan Shih-kai.

The scene of Samuel Merwin's "Hills of Han" was laid in the province of Shansi, the period of the novel being about the year 1907, when the Shansi people were clamouring for the cancellation of the Pekin Syndicate's coal and iron concession in that province.

Upton Close's "Moonlady," another Peking story, was published in 1927.

Mr. E. H. Cressy, honorary secretary of the Royal Asiatic Society, has recently published a book of short stories, whose setting and characters are entirely Chinese, under the title "Yellow Rivers," and while it cannot, strictly speaking, be called a novel, the stories are to a certain extent fictional, though, I believe, based on the author's experiences as a missionary.

Then there are the novels of Somerset Maugham. This makes twelve male writers who have published novels on China to set against the eight female writers mentioned in your "Comment." I believe there are several others, which might be mentioned, though these are quite sufficient to upset the contention put forward in the "China Review" as reported in your Comment.

ARTHUR DE C. SOWERBY.

Shanghai, June 22.

OLD TIME FILMS

Interesting Memories

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—I was interested to read in your issue of the 19th inst, of Mr. H. W. Ray's contention that the film "Trip to the Moon" was produced in the Isle of Wight in 1903.

He is without doubt absolutely right as to the date, as I saw this picture in Sdyney, N.S.W., either during the latter part of 1902 or early in 1903.

It may not, however, be common knowledge that motion pictures, as they are now called were a practical proposition several years before this.

In November, 1897, I happened, as a child of nine, to be in Sydney and was taken by my mother to witness what was then described as a marvellous modern invention—none other, in fact, than the "kinematograph," and I well remember that it was exhibited in a building called the Polytechnic, in King Street.

The film depicted the race for the Melbourne Cup which had been run at Flemington, Melbourne, just 24 hours previously.

As the distance between the two cities is 576 miles, this was certainly a very creditable performance for those early days of the industry. The film was, of course, developed and dried en route.

I recollect that the picture was remarkably clear and can still hear the cheers of the audience when Gaulus was first past the post.

L. F.

Shanghai, June 19.

VIA SIBERIA

An Agreeable Journey

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—Believing that my experiences on my recent trip through Siberia and Russia *en route* to Europe may be of some value to your readers proposing to make the same trip, I would say that I found the entire trip very agreeable and would recommend it to those wishing a quick trip Home. I travelled second class on the train de luxe and found the accommodations clean and comfortable.

I took perhaps one meal a day in the dining car but preferred eating provisions brought with me and would advise travellers to supply themselves with food before starting, such as bread and biscuit and sausage, cheese or tinned meat. Hot water and tea are always available but such additions as "Vitavose" or "Klim" were very welcome.

It is important to provide oneself as with lemons and fruit or tomato juice before starting as they cannot be obtained after Harbin and such beverages are very welcome. It is also necessary to get drugs beforehand, as such ordinary items as aspirin, lysol or pyramidon could not be purchased. Contrary to previous experience there was practically no food to be purchased at the stations. Conditions for the most part and especially in Moscow seemed to have improved immensely since my former trip in 1928.

GERMAN STUDENT.

Shanghai, June 24.

OVERCROWDED VEHICLES

Relief Measures

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—As a measure of prevention of the overcrowding of trams and buses, it seems to me that a step in the right direction would be the installation of signs near the doors or gates, to be uncovered or illuminated when necessary to signal that the vehicle is "Full".

This innovation would replace the present ineffectual measures in use during a "rush", its most useful points being, (a) A clear and definite intimation to the would-be passengers that the vehicle is full, and, (b) The relief of the harassed conductor.

Persons attempting to board the vehicle during the display of the "Full" sign could perhaps reasonably be proceeded against.

Another measure of alleviation would be the prevention of crowding around the entrance to the vehicle, and this, I believe, could be attained by the provision of double handrails, inserted in the pavement, so that intending passengers would queue up and enter the vehicle in order of arrival at the "Stop." Needless to say, such handrails would be necessary only at a certain number of busy places.

R. M. H.

Shanghai, June 24.

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Solar and lunar aspects; time of high and low water at various ports, harbour regulations, quarantine regulations, typhoon anchorages, signals, flags, etc.. are only a few of the subjects covered.

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SHANGHAI RACE CLUB

Half Year's Charity

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—I forward herewith List of Charity Donations for 1st Half of the current year, totalling $73,716.52. This sum has been obtained for Charity from Race Meetings on the Shanghai Race Course plus an appropriation from the Shanghai Charity Trust.

The Stewards trust the allocations shewn in the Distribution List will meet with the approval of those who patronized our race meetings. Cheques in favour of beneficiaries will be issued during the first week of July.

SHANGHAI RACE CLUB
CHARITY ACCOUNT
DISTRIBUTION, 1st Half 1935

Lester Hospital for Chinese	$1,500.00	
Lester Hospital for Chinese (New Year Race Meeting, already paid	3,412.56	$ 4,912.55
King's Daughter's Society	3,000.00	
King's Daughters's (New Year Race Meeting, already paid)	3,412.56	6,412.56
Union Jack Club	9,000.00	
Union Jack (New Year Race Meeting, already paid)	3,412.56	12,412.56
Union Jack Club, Nanking, (already paid)		500.00
Various Military & Naval Commands		8,000.00
Various Military and Naval Command (already paid)		1,800.00
St. Luke's Hospital		1,500.00
Chinese Hospital for Infectious Diseases		150.00
Emergency Hospital for Chinese		150.00
Ningpo Hospital of Shanghai		450.00
Chinese Red Cross Hospital, Division of Lung & Heart Diseases		100.00
Chinese Mission to Lepers		225.00
Anti-Tuberculosis Association of China		500.00
Sacred Heart Hospital		225.00
Margaret Williamson Hospital		225.00
St. Elizabeth Hospital		150.00
Shanghai General Hospital, Charity Ward		550.00
Hospital St. Marie		225.00
Charing Cross Hospital, London		600.00
British Charitable Hospital, Peiping		900.00
Home of the Sacred Heart, Kashing		150.00
Providence Orphange Institution de St. Joseph		225.00
Zi-Ka-Wei Orphanage		225.00
Sisters of Zi-Ka-Wei Orphanage		225.00
Institution of the Holy Family Orphanage		150.00
Hongkew Clinic for Skin Diseases		125.00
Shanghai Hebrew Relief Society and Shelter House		500.00
Shanghai Charity League		250.00
Society of St. Vincent de Paul		225.00
Little Sisters of the Poor		225.00
Sisters of Charity, Shanghai		225.00
Sisters of Charity, Tinghai		225.00
Hospice St. Joseph, Nantao		225.00
Catholic Federation		225.00
St. Joseph's Benevolent Society		175.00
Institution of St. Joseph		125.00
St. Joseph's Asylum for the Poor, Nantao		125.00
Institution des Franciscains, Missionaries de Marie		125.00
Hanbury Institute		700.00
Mission to Seamen, Shanghai		700.00
Fund for Indigent Foreigners		1,000.00
Mission to Rickshaw Men		600.00
Institution for Chinese Blind		900.00
Chinese Red Cross Society		500.00
Shanghai Public Benevolent Cemetery		150.00
Chinese Anti-Kidnapping & Benevolent Society		150.00
St. Monica's Society		225.00
Austrian Ladies Benevolent Society		150.00
Jewish Ladies Benevolent Society		650.00
Shanghai Ladies Benevolent Society		650.00
Associacao Portugueza de Beneficencia de Shanghai		650.00
Portuguese Ladies Association		250.00
British Women's Association, Headquarters		750.00
British Women's Association, Special Service Board		750.00
American Women's Club, Civic Department		750.00
Foreign Women's Home		750.00
Foreign Y. W. C. A.		250.00
American Civil Relief Committee		500.00
Polish Committee, Shanghai		300.00
Openza Assistenziale des Fascio Italiano di S'hai		250.00
Associazone Nazionale Combatenti		150.00
Japanese Relief Committee		250.00
Norwegian Benevolent Society		200.00
Danish Benevolent Society		200.00
Swedish Association in China		200.00
Deutscher Hilfsfoud S'hai		300.00
Austrian Benevolent Society		200.00
Netherlands Benevolent Society		200.00
Societe Belge de Bienfaisance		200.00
Czecho-Slovak Benevolent Society		200.00
Finnish Benevolent Society		125.00
Societe Francaise de Bienfaisance		300.00
Alliance Nationale		200.00
Amicale des Anciens Combattants de la Grand Guerre		250.00
Spanish Benevolent Society		200.00
Hungarian Relief Society		125.00
Estonian Relief Society		125.00
Latvian Association		125.00
Hellenic Communal Benevolent Association		125.00
Lithuanian Association		125.00
Shanghai Sikh Police Guardwara		300.00
Mercantile Marine Masters & Officers Relief Fund		500.00
Salvation Army		650.00
United Services Association		250.00
British Y. M. C. A. with the Shanghai Defence Force		500.00
School for Mafoos' Children		400.00
Girls Guides Association, Shanghai Branch		200.00
Shanghai Society for Prevention of Cruelty to Animals		560.00
Girls School, Russian Women's League		650.00
Relief for Poor Russian Children, F. M. School		150.00
S. V. C. Russian Unit		200.00
First Russian School		150.00
Maternity Fund for Indigent Russians		250.00
School for Russian Children (c/o D. Scherbinin) (already paid)		900.00
Various Russian Charities		4,500.00
Dr. Barrnardo's Homes for Children (England)		450.00
		$69.662.68
Balance in hand for Sundry Charities & Urgent appeals		4,053.84
		$73,716.52

Since 1915 the total distributed and in course of distribution by the Club amounts to $4,120,945.73.

N.L. SPARKE,
Acting Chairman
Shanghai Race Club.

Shanghai, June 19.

RABIES DANGER

More Special Pleading

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—I read your comments on my letter, which you were good enough to print in the correspondence columns of your valued paper this morning, with the attention due to enunciations from the editorial chair.

In my mind's eye, I saw you, Sir, in the country where the karait, a venomous snake, used by you for the purpose of comparison and example in connection with the dog question in Shanghai, is at home. You were walking, accompanied solely by a police dog and your thoughts, in the deep and dark jungle of India. The dog was at heel. It cocked its fine ears of a sudden and came to a stop. Your attention being aroused by this signal, you likewise stopped, the more so as you heard a rustle in the undergrowth. There, within a foot or two of your own feet, a karait slid across your path, coiled, reared its head menacingly preparatory to attack. Your dog, ever mindful of danger to its master, manœuvred, drew the attention of the snake on itself, made a lightning pass at the neck of the reptile and, with its powerful fangs, broke its neck. The dog saved your life and it was only able to perform this inestimable service because it was unmuzzled.

I do not wish to draw on my imagination to depict what would have happened, had the dog been muzzled, but one thing seems certain, the karait would have been able to tie a further knot in its tail, by way of registering another victory. I venture to think that, had the above incident any basis in fact, as far as your person is concerned, your views and opinions on the subject of the police dog in particular would, probably, be milder than they actually are. Let it be said, that there have been many instances of police dogs saving lives and doing other useful and even inestimable services to members of the human family. To condemn them, therefore, *en bloc* is not, in my humble opinion "playing marbles."

May I point out, that I have never opposed a reasonable application of the muzzling order. I have even asked, as you will remember, the Municipal Council, to design an official muzzle, which will meet the requirements of the Council's own rules without inflicting cruelty on dogs. Let me, also, draw attention to the letters written, some time ago by one "Sirius de Canicula" who pointed out that the real menace of rabies came from roaming dogs, which come into the Settlement unmuzzled and are a danger not only to the public but also to dogs which are licensed and are cared for, as they should be, by their owners. Your correspondent, as far as I remember, made a point of the fact, that as long as these wonks were allowed the freedom of the Settlements, so long would it be unfair to deprive owned dogs of any possibility of defending themselves and, possibly, their owners as well, by muzzling them. I can fully subscribe to the opinions of "Sirius," seeing that I myself wrote those letters and this the more so, as the main efforts of the dog-catchers were, at least in the not too distant past, concentrated on obviously owned and licensed dogs and not on strays and wonks. If here has been a change, of late, in this respect, I am quite prepared to take my old, worn hat off to the authorities.

In conclusion, if one warm day does not make a summer, then surely it is unfair to judge a breed of dogs by rare and selected incidents, gathered from every corner of the globe, which, few as they may be, are chalked up to the discredit of the entire breed. This mentality very much reminds me of the propaganda which was indulged in, by certain nations, during the late War, when the alleged actions of individuals, of which these nations did not approve, were debited to the account of millions of entirely innocent people with results which I, as one of these millions, prefer to forget—if I can.

P. K.

Shanghai, June 22.

ANTI-RABIES CAMPAIGN

"A Final Tilt"

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—Permit me to don my shining tin armour, to mount my prancing war-horse and to take one final tilt in the lists of your valued columns, for the cause in which, according to my own lights, I have put up a fair and gallant fight.

At the risk of repeating myself, permit me to point out, that I never opposed the anti-rabies or muzzling campaign. My point was, that the causes and the efforts made to deal with these, were not properly recognized and that a bsginning should have been made, as has since been done, by eradicating the danger of strays and wonks and not by enforcing the muzzling order in the Settlements.

Your interpretation of my suggestion, that the Council should design a muzzle which would prevent a dog from biting and/or its saliva coming into contact with other animals or persons and, at the same time, permitting the animal to breath and to drink, is not quite fair to me. Why should not the Council assist dog-owners in the manner suggested—if the idea is a possibility? It is not the first time that I have, in connection with dogs, made a suggestion to the Council, for the present form of licence-tag, in place of the former clumsy plates, was also adopted subsequent to my placing the idea before the authorities.

My defence of the police dog, as a breed is, as I firmly believe, quite justified. The isolated instances, where these dogs have caused injury, are surely outweighed by the useful and even eminent services which they have rendered to humanity.

The "red herring" is not a pet of mine. I keep dogs and canaries. I have never felt the urge or the necessity of drawing "red herrings" across the path of my arguments for the simple reason, that I say that which I have to say, out of conviction and not merely to get the better of an opponent in a controversy. It was not I who introduced the karait into the picture. I still think that it is stretching things rather too far, to compare a venomous breed of reptile with a friend of humanity such as a dog is. If you, Sir, in order to illustrate your point, were justified in introducing the karait into the argument it was, I think, equally permissible for me to follow in your footsteps and to take the simile a little further in order to demonstrate my point. As a matter of fact, I took your Karait for a common or garden "red herring" but was too polite to say so and, had I not considered your snake to be just a red fish, I would never, even in imagination, exposed you, Sir, and your imaginary dog, to that horrible experience I wrote about. Some other less dangerous adventure would have served as well.

I accept the label of "intellectual dishonesty" and the other qualifications which you have had so neatly printed for me, with equanimity, for the simple reason that these labels can never be gummed in a way that they will stick to the armour I have mentioned at the beginning of this letter.

I do not know, Sir, whether you have enjoyed this controversy. I make bold to say that I have. Besides, I do think that it has all served the propaganda purposes of the anti-rabies and muzzling campaign.

P. K.

Shanghai, June 24.

Alsatian Owner's Views

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—As an owner of an Alsatian, my second, I have followed with considerable interest, the correspondence and your comments thereon, which have recently appeared in your valued journal.

I, and I am sure most owners of Alsatians, will heartly agree with you that to get down to "Brass Tacks" the rabies danger is real and demands strong co-operation. As you mention, all else is irrelevant, but may I add, as irrelevant as anything, is your unreasonable condemnation of the entire breed of Alsatians. Your leader "Brass Tacks" is as full of irrelevances, and misrepresentations, as anything penned by "emotional defenders of Alsatians."

In spite of the fact that I have owned an Alsatian for some seven years, and can honestly say that during this period I have never known anything but loyal and intelligent companionship, in order to conform to your views of "honesty", must I agree with you entirely in your sweeping condemnation of the breed?

The muzzling order may or may not be efficacious in stamping out the danger of rabies. The fact that the authorities have ordered its general enforcement should be sufficient for your readers and no possible exception can be taken to the order.

The fact that Miss Cowper was bitten, is strong confirmation of your advocacy. The breed of the culprit was irrelevant. Would it have been less serious had the dog been a Great Dane?

No Alsatian owner has been at variance with you in citing this incident as proof of the very real need for enforcing and observing the authorities' order. Many of us, however, are at a loss to understand why you should seize this opportunity to get in a dig at a breed for which you obviously have no liking and possibly of which you have had little personal experience. I would not presume to defend the Alsatian. The number of owners of this breed, coupled with the fact that no Alsatian owner has, as yet, sided with you in your contention that the breed is unreliable, is sufficient defence. The fact that they are used almost exclusively, in America, for guidance of the blind, a responsibility which surely calls for reliability above all else, is further defence.

Having got down to "Brass Tacks" and I feel sure, received the strongest approval of all dog owners in your policy of refusing to remain "Neutral" in the campaign to stamp out the dread disease of rabies, could this not be combined with "Impartiality" as to breed.

FIDO.

Shanghai, June 24.

An "Extraordinary" Leader

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—Your extraordinary leader entitled "Brass tacks" defeats its own aims. You deliberately try to miscontrue all the letters written by animal lovers; the result is, to quote your goodself, extremely "irrelevant".

Your first allusion is that someone suggested that Miss Cowper was to blame for letting herself get bitten, such a ridiculous accusation needs no comment. Your second, my letter I presume, was that the dog's mode of life was not calculated to make him a vegetarian. My argument was to put the blame where it belonged, on the owner and not the dog. Your third concerned people dilating on the destruction of an amiable stray. A dog, having a home, is not generally known as a stray and Chloe's letter did not in any instance decry police methods, it was a note of warning to other dog owners. How the defence of a clever and loyal breed of dog is a thinly veiled desire to hamper authority in stamping out rabies is beyond my poor intellect; perhaps you, knowing our minds better than we do ourselves, will enlarge upon the subject. You say "it would be far honester to put on record a determined refusal to be party to any anti-rabic measures." Why? It is interesting to note how carefully you avoid the many references to the wonderful work done by Alsatians, quoted from authorities on the subject!

Your paragraph on the karait is according to your own statement "not only irrelevant but mischievously irrelevant".

One is, of course, in doubt as to whether this leader has been written in sincerity or as a hoax.

GERMAN SHEPHERD.

Shanghai, June 24.

Danger of "Strays"

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—There is so much talk these days about the extremely good work which is being done in the sudden drive collecting wonk dogs.

As this is supposed to be done daily and regularly, might one be permitted to wonder how it happens that there are suddenly such unprecedented numbers roaming the streets needing collection? It would appear as though a certain amount of slackness in the past has caused the need of the sudden rush of the present?

One is also rather inclined to wonder why the bite of a foreign dog, in a building where it is not necessary to muzzle them, causes another hysterical outburst against the wonks on the streets! If we could have authentic statistics, it would be rather interesting to know how many cases of bites, treatments, etc., have been attributable to wonk dogs, and how many to privately owned foreign dogs? Also, is there more rabies in the numberless small villages and towns where they are all wonks, or in the cities where there are so many foreign dogs?

Why not refrain from bringing foreign dogs into a country which is not suitable for them—where they have none of the proper surroundings necessary for their health and exercise, where they suffer through the extreme heat and often through sicknesses caused by same? That, surely, would considerably lessen the possibility of rabies among the foreigners, and might also lessen the increasing numbers of wonk dogs with traces of police dogs, pointers, airdales, etc.

ANOTHER SUGGESTION.

Shanghai, June 24.

White Horse Whisky

You can call the contents of a bottle by any name you like but if you want the contents to be the best Whisky you call for

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SPORTS AND PASTIMES

VOYAGE OF DEIRDRE TO CHEFOO

FROM A CORRESPONDENT

Chefoo, June 12.

Marking the only occasion on which such a trip has so far been accomplished, and completing the voyage in the excellent time of four and a half days, the yacht Deirdre, flying the Blue Ensign, dropped anchor at Chefoo on Tuesday at 3 p.m., having left Woosung at daylight on Friday June 7.

Aboard her were Captain H. E. Hillman, R. N., (retired), owner-skipper, F. Utne, F. C. Webb, also two native hands and a Chinese steward.

During the voyage, the motor was used only when dead patches were struck, and at one time during the trip, a perfectly true course was maintained with a force 4 wind dead aft all the way and not a hand at the wheel for a stretch of 27 hours, a performance which says much for those responsible for the design of the yacht.

With a stiff wind blowing from the south, and one reef in, Deirdre hoisted sail again on Thursday, June 13, at 12 noon, bound for Shanghai via Weihaiwei and Tsingtao, and all good wishes will accompany Captain Hillman and his companions for a successful trip back to the home port.

Captain Hillman's ambition is eventually to set out on a trip around the world in his yacht.

DICE SETTLE LOCAL TENNIS MATCH

By the introduction of a box of dice an old but little used method of deciding matches was arrived at Friday evening when a league lawn tennis game between the Waterworks Tennis Club and the Rowing Club was held up owing to the rain. A couple from the Rowing Club, with one set (tennis) in their favour took the remaining "set" after a hard tussle (dice) with the Waterworks representatives; if the present inclement weather continues dice shaking may become popular amongst local tennis enthusiasts as a method of deciding their matches. In spite of the succes of this Rowing Club couple, their fellow club members let them down on the courts and the home team were defeated by the Waterworks by nine sets to six.

The only other league match played, also second division, was between the Clube Lusitano and the Shanghai Cricket Club, the honours going to the former by ten sets to five.

DICKSON RETAINS GOLF TROPHY

Trophies in the Shanghai Municipial Police golf championship contest were awarded on Friday afternoon at a ceremony held in the new Police Club, 185 Foochow Road. The presentations were made by E. C. Baker as captain of the Golf Section of the Police Recreation Club.

In "A" Class, J. C. Dickson retained the trophy by being again victorious in the final. Honours as runner-up went to D. A. Cumming.

The Captain's Cup, presented by E. C. Baker in the Match Handicap, was won by D. A. Cumming, the runner-up being T. Kawashima.

In "B" Class, the championship winner was M. R. L. Lingard and the runner-up L. Steventon. T. Kawashima was presented with the Points Cup.

U.S. MARINES WIN AT SWIMMING

The swimming team of the Fourth U.S. Marine Corps defeated the representatives of the Chinese Y.M.C.A. on Saturday at the latter's pool by the narrow margin of three points, 36 points against 33 for the Chinese.

40 yards free:—1, Humber; 2, Y. K. Chang; 3, Hamilton. Time: 21.5 sec.

100 yards breast:—1, Welz; 2, R. C. Kien; 3, Mayer. Time: 1 min. 16.9 sec.

60 yards free:—1, W. S. Liang; 2, H. Zee; 3, Leonard. Time: 33.4 sec.

100 yards back:—1, Z. J. Chow; 2, R. M. Kien; 3, Alcumbrack. Time: 1 min. 23.1 sec.

100 yards free:—1, H. Zee; 2, Derwar; 3, Potter. Time: 1 min. 5.2 sec.

Under Water Swimming:—1, Hamilton; 2, Welz; 3, Leonard. Distance: 50 yds.

Diving:—1, Humber; 2, Y. K. Yui; 3, Leonard.

Medley Relay:—Marines—Hamilton, Welz, Leonard. Time: 1 min. 15.5 sec.

The reults of the open events are as follow:—

60 yards breast:—1, Y. K. Yui; 2, K. Y. Sung. Time: 50.1 sec.

200 yards free:—1, R. L. Kien; 2, Y. D. Ho. Time: 2 min. 58 sec.

400 yards free:—1, P. K. Sze. Time: 5 min. 19.5 sec.

RIFLE SHOOT WON BY SHANGHAI

The Portuguese Company of the Shanghai Volunteer Corps have scored an easy win in their interport rifle shoot with the Portuguese Company of the Hongkong Volunteer Defence Corps, according to a message received from the Colony.

Each unit's team shot in their home port on the same day (Tuesday of last week), conditions of the competition being furnished by Hongkong. There were five practices, with a possible score of 20 at each except the grouping, which was 25, the h.p.s. being 105; 100 yards grouping, 200 yards slow, snap and rapid, and 500 yards rapid. Twelve men fired, the best ten scores counting: Shanghai made 856 as against Hongkong's 788. The local scores were:

Sgt. Alvaro Marques 91, Cpl. Henrique Caldas 90, Cpl. Vicente Aguiar 89, Cpl. Moises Gutterres 82, L/Cpl. Julio Costa 79, L/Cpl. Henrique Costa 72, Pte. Arnaldo Caldas 88, Pte. Guilherme Costa 90, Pte. Henrique Aquino 89, Pte. Francisco Xavier 86.

C. S. F. WIN WATER POLO

The Cercle Sportif Francais defeated the Foreign Y.M.C.A. "B" team 6-2 in Friday's water polo game, played in the former's pool. The visiting team found the surroundings somewhat strange and went down five goals in the first half. Defending the shallow end in the second half they were able to hold the home team to on point and in addition score two goals themselves. While the play was at no time outstanding it proved interesting, and much of the material in the bath seemed capable of development. Moller of the C.S.F. team managed to score three of the six goals, and though rough, showed definite promise in the way he handled and threw the ball as well as in speed through the water. The teams were:

Cercle Sportif Francais:—S. E. Avery (goal); R. P. J. Stewart and John Huxley (right and left backs); R. N. Richards (centre half); J. Moller and S. A. Judah (right and left forwards); G. J. Grilk (centre forward).

Foreign Y.M.C.A. "B":—S. Dronnikoff (goal); P. Bell and J. Logan (right and left backs). Bruce Lamken (centre half); H. Dixon and J. Brandt (right and left forwards); P. Barrera (centre forward).

Win for Y.M.C.A.

The second game of the Shanghai Amateur Swimming Association's water polo league saw very one-sided play in the Y.M.C.A. bath when the home "A" team on Tuesday, June 18, completely outclassed the visiting Rowing Club "B" both as regards speed and play.

The teams were:

Y.M.C.A. "A": A. Remedios (goal): T Paget and E. McAllister (left and right backs): H. Park (centre half): K. Larby and J. Lane (left and right forwards): A. Logan (centre forward)

S.R.C. "B": W. W. Moore (goal): S. Godkin and A. J. Orton (left and right backs): J. G. W. Lewis (centrehalf): H. F. White and H. A. Calder (left and right forwards): W. Wagner (centre forward).

H. K. MURPHY SAILS TO ANOTHER WIN

Intermittent rains last Wednesday evening did not dampen the spirits of the yachtsmen who turned up at Minghong to take part in the Shanghai Yacht Club's weekly harbour race for "C" Class which saw Yankee (Murphy) come in to take first flag with Leda (Lock) steadily closing in on the first boat after a poor start. Leda has been sailing very well this season and her progress will be watched with keen interest by all followers of sail.

The results were:—

	Elapsed Time	Pts.
Yankee (Murphy)	50.25	12¼
Leda (Lock)	50.45	11
Lady Anne Evans	52.25	10
Zuleika (Webb)	53.40	9
Mignonette (Trenchard Davis)	55.09	8

Points gained in the "C" Class harbour race series to date: Yankee 34½; Mignonette 29¼; Leda 22; Polaris 11; Lady Anne 10; Sun Lee 10; Zuleika 9; Bridget 8; Joan 7; Orion 0.

The official opening of the Shanghai Rowing Club's Wednesday night galas took place last Wednesday evening before a good gathering of spectators and supported by no less than 35 contestants. The events were evenly divided between the ladies, boys and men and provided both interest and excitement. The object diving afforded much amusement as several swimmers found difficulty either in staying down at the bottom to pick up the objects, or geting down to the bottom at all.

SHANGHAI CRICKET

Fire Bridge Lose to Sgts' Mess

The annual cricket match between the Shanghai Fire Brigade and the Garrison Sergeants' Mess at the Parsees' ground on Tuesday, June 18, turned out to be a veritable bowlers' holiday, for the game was completed in two hours with each side's total being under 30. It is a long time since the Sergeants have conquered the fire fighters, and in this remarkably low scoring game they just managed to break this sequence by a bare six runs, the respective accounts standing at 27-21.

GARRISON SERGTS. MESS

Sergt. Truslow, b. Harris	0
Sig. Lowe, c. Crickmer, b. Stenning	4
L/Cpl. Cavill, c. Lent, b. Harris	1
R.Q.M.S. McCone, c. Goldman, b. Harris	0
Sergt. Worsley, c. Louttit, b. Stenning	0
Q.M.S. Pictor, b. Stenning	15
S.Q.M.S. Dakers, b. Stenning	0
S.S.M. Bird, c. Stenning, b. Harris	6
O.Q.M.S. Macey, c. and b. Stenning	0
S/Sergt. Mulhern, not out	0
Sergt. Willis, b. Harris	0
Extra	1
Total	27

Fall of wickets.—1-0, 2-2, 3-2, 4-6, 5-6, 6-10, 7-27, 8-27, 9-27, 10-27.

BOWLING

	O.	M.	R.	W.
Harris	4.3	1	11	5
Stenning	4	1	15	5

SHANGHAI FIRE BRIGADE

R. T. Lindley, b. Lowe	2
D. F. Harris, c. Pictor, b. Cavill	9
H. A. Crickmer, c. and b. Cavill	0
T. H. Dixon, c. Dakers, b. Lowe	5
A. H. Morton, c. and b. Lowe	0
R. Lent, b. Cavill	3
M. M. Louttit, b. Lowe	0
A. A. Smith, b. Lowe	0
H. G. Reed, not out	2
J. Goldman, b. Lowe	0
S. S. Faber, b. Lowe	0
Extra	0
Total	21

Fall of wickets.—1-7, 2-11, 3-12, 4-16, 5-19, 6-19, 7-19, 8-21, 9-21, 10-21.

BOWLING

	O.	M.	R.	W.
Lowe	5.4	1	12	7
Cavill	5	2	9	3

Police Too Good for Medicals

Although without the services of Gavenlock and Woodley, their bowling mainstays, the Shanghai Municipal Police were far too good for the Royal Army Medical Corps on the former's ground on Tuesday, June 18, Batting first, the winners totalled nine over the century while the soldiers could but accumulate under half that amount with 52.

S.M. POLICE

T. Darvill, b. Beare	5
F. Peasgood, c. Harrison, b. Slade	43
T. M. Watson, b. Whitehouse	5
B. B. Boddy, c. Whitehouse, b. Slade	10
R. H. Ekin, b. Slade	0
S. Holtam, b. Crosse	6
A. McDairmid, not out	7
R. Biggs, b. Crosse	0
A. Moss, b. Slade	4
T. W. Dickson, st. Savory, b. Harrison	16
E. H. Person, b. Harrison	0
Extras	13
Total	109

Fall of wickets.—1-5, 2-20, 3-42, 4-42, 5-65, 6-77, 7-81, 8-86, 9-109, 10-109.

BOWLING

	O.	M.	R.	W.
Beare	5	1	17	1
Whitehouse	8	1	18	1
Goddard	3	0	13	0
Slade	7	0	36	4
Crosse	4	0	12	2
Harrison	4	0	0	2

R.A.M.C.

Pte. Wilson, b. Boddy	0
Pte. Beare, b. Peasgood	4
L/Cpl. Whitehouse, c. Watson, b. Boddy	4
Sgt. Slade, c. Darvill, b. Peasgood	0
Sgt. Savory, b. Boddy	0
Pte. Goddard, b. Darvill	13
Sgt. Harrison, b. Peasgood	0
Lieut. Crosse, b. Watson	12
Pte. Donaldson, c. Darvill, b. Watson	4
Pte. Gifford, not out	10
Pte. Tennison, b. Watson	0
Extras	5
Total	52

Fall of wickets.—1-6, 2-4, 3-4, 4-8, 5-11, 6-12, 7-43, 8-47, 9-52, 10-52.

BOWLING

	O.	M.	R.	W.
Boddy	3	1	7	3
Peasgood	3	1	9	3
Holtam	3	0	9	0
Darvill	5	1	15	1
Watson	2.3	0	7	3

Public School XI Defeat R.A.M.C.

The Public and Thomas Hanbury School, who so overwhelmingly routed the Inniskillings' "C" Company cricket eleven a week ago, added another victory to their laurels at the expense of the Services last Wednesday on their own ground at Hongkew, the Royal Army Medical Corps being the victims. The school were without the services of C. Logan, their star batsman.

R.A.M.C.

Pte. Goddard, run out	0
Pte. Flint, c. Thompson, b. Mohideen	20
Pte. Beare, b. Mohideen	20
L/Cpl. Whitehouse, c. and b. Thompson	35
Sergt. Slade, c. and b. Mohideen	0
Pte. Wilson, b. Mohideen	4
Pte Donaldson, not out	5
Sergt. Savory, st. Caro, b. Mohideen	15
Sergt. Kingston, b. Mohideen	4
Pte. Tennison, c. Thompson, b. Mohideen	2
Pte. Lowe, b. Mohideen	0
Extras	4
Total	109

Fall of wickets.—1-4, 2-29, 3-69, 4-69, 5-75, 6-93, 7-99, 8-103, 9-109, 10-109.

BOWLING

	O.	M.	R.	W.
Willis	5	1	15	0
Mohideen	12	2	53	8
Thompson	6	0	34	1
Blackwood	2	0	3	0

PUBLIC AND THOMAS HANBURY SCHOOL

V. Chanturai, c. Kinston, b. Whitehouse	11
R. Thompson, b. Beare	16
E. Caro, b. Beare	0
U. Mohideen, b. Beare	0
J. Willis, b. Beare	1
S. Berglof, b. Beare	6
C. Thompson, st. Goddard, b. Wilson	39
R. Cunlo, b. Whitehouse	18
C. Thorburn, not out	30
A. Blackwood, c. Donaldson, b. Whitehouse	0
C. Lovell, b. Beare	31
Extras	17
Total	169

Fall of wickets.—1-24, 2-28, 3-34, 4-35, 5-45, 6-58, 7-89, 8-89, 9-102, 10-169.

BOWLING

	O.	M.	R.	W.
Beare	13	1	56	6
Whitehouse	11	1	39	3
Slade	2.3	0	39	0
Wilson	2	0	9	1
Flint	1	0	9	0

YALE'S CREW SCORE EASY WIN OVER HARVARD

New London, June 22.

Eight stalwart sons of Old Eli rowed their way to fame and glory on the Thames this afternoon as they finished a quarter of a mile ahead of the Harvard crew in their annual rowing classic. Their time for the varsity four-mile event was 20 minutes and 19 seconds.

In administering one of the worst beatings that a Yale crew has ever given to the songs of John Harvard, the oarsmen made it a clean sweep for the Blue, as on Friday the Bull Dog freshmen and junior varsity eights had taken the measure of their rivals from Cambridge.

The Harvard crew, game and fighting on to the bitter end, never had a chance. From almost the moment that the referee's gun sent the boys into action, the blue-jerseyed Yale oarsmen had complete command of the situation. Soon there was open water between the two shells and before the first mile post had been reached it was a foregone conclusion that Old Eli would win the race unless a Swiss submarine suddenly appeared in the river and torpedoed the yale shell.

At the half way mark, the Yale eight was so far ahead that any other crew in the world would have quit trying, but not Harvard.

Following the race, J. C. Castle, of Honolulu, son of Mr. William R. Castle, former Under Secretary of State and onetime American Ambassador to Japan, was elected captain of Yale's 1936 crew. Castle, 22, will be graduated next year. He weighs 177 pounds and stand six feet one inch in his rowing socks. He is the stroke oar.

The Harvard oarsmen also elected a new captain in the person of Raymond S. Clarke, bow oar, of Fishers Island, New York. Clark is a year younger than his Yale rival, but tips the beam at 180 pounds and is an inch taller than Castle.—United Press.

THRILLING FINISH AT POUGHKEEPSIE

Poughkeepsie, N. Y., June 18.

In a thrilling, spectacular finish, the University of California varsity crew to-day nosed out the Cornell entry by the narrow margin of two-fifths of a second, to win the annual Poughkeepsie regatta.—United Press.

England's Selections for Second Test

London, June 24.

England's team for the second test against South Africa, which will commence at Lord's on Saturday, will be selected from the following twelve players:

R. E. S. Wyatt, captain, N. S. Mitchell-Innes (Oxford), Sutcliffe ((Yorkshire), Leyland (Yorkshire), Verity (Yorkshire), Hammond (Gloucester), Ames (Kent), Nichols (Essex), Clark (Northants), Farrimond (Lancashire), Mitchell (Derbyshire), James Langridge (Sussex).

The names of Clark, Farrimond, Mitchell and James Langridge did not appear in the list of selections for the First Test.

Farrimond has been definitely selected as wicket-keeper, while Clark will probably replace Bowes, the Yorkshire fast bowler.

T. B. Mitchell is the Derbyshire spin bowler who took all ten wickets in one innings against Leicester last week.—Reuter.

CRICKET AT HOME

London, June 18.

At Folkestone.—Kent beat Warwick on the first innings.
Kent 351 (Valentine 105, Hollies five for 89) and 101 for six declared.
Warwick 243 (Freeman five for 77) and 60 without loss.

At Leicester.—Derby beat Leicester on the first innings.
Derby 140 (Smith five for 51, Geary five for 46) and 227 (Marlow five for 69).
Leicester 123 (Mitchell 10 for 64) and 111 for three.

At Westcliff.—Cambridge beat Essex by seven wickets.
Essex 157 and 259 (Wooller five for 68).
Cambridge 319 and 98 for three.

At Lord's.—Yorkshire beat Middlesex on the first innings.
Middlesex 108 (Smailes five for 23).
Yorkshire 307 for six declared (Barber 107).

At Peterborough. — Northants beat Somerset on the first innings.
Northants 238 and 118 for five.
Somerset 127 (Perkins five for 43).

At Manchester.—Lancashire beat Surrey on the first innings.
Lancashire 357 for eight declared and 35 without loss.
Surrey 300 (Holmes 101, Hopwood six for 98).

At Horsham.—Sussex beat Hampshire on the first innings.
Sussex 383 (Herman five for 72).
Hampshire 144 (Jas. Langridge five for 22) and following on 20 without loss.

At Swansea.—Notts and Glamorgan shared eight points.
Glamorgan 326.
Notts 189 for three.

At Oxford.—The Varsity drew with the Free Foresters.
Oxford 161.
Free Foresters 192 for seven

June 21.

At Lord's.—Middlesex drew with Nottingham.
Middlesex 132 for six declared.
Notts 32 for three.

At Northampton.—Northants and Sussex shared eight points.
Northants 158 for eight declared.
Sussex 85 for four.

At Tonbridge.—Kent and Worcester drew.
Kent 156 (Howorth seven for 54).
Worcester 61 for five.

At Chelmsford.—Glamorgan beat Essex on the first innings.
Essex 156 (Mercer five for 58) and 48 for three.
Glamorgan 212 (Dyson 101, Eastman five for 49).

At Leeds.—Leicester beat Yorkshire on the first innings.
Leicester 153 (Verity five for 69) and 55 (Verity eight for 28).
Yorkshire 93 (Smith six for 31) and 75 for two.

At Derby.—Derbyshire beat Somerset by 114 runs.
Derby 237 for eight declared and 1 without loss declared.
Somerset 89 and 35 (Copson five for 15).

At Portsmouth. — Hampshire beat Gloucester by six wickets.
Gloucester 282 and 190 for seven declared.
Hampshire 170 (Sinfield six for 17) and 305 for four (Arnold 142 not out).

At Liverpool.—Lancashire drew with the South Africans.
Lancashire 92 for six declared.
South Africans 153 for two.

Positions of Counties

Following are the present positions of teams in the County Championship:

	P.	W.	L.	W.	L.	R.	1st. I. No Pts. P. O.	Pct.
Derbyshire	9	5	2	2	—	—	135 85	62.96
Warwick	10	5	1	1	3	—	150 89	59.33
Yorkshire	11	5	—	1	5	—	165 95	57.58
Kent	11	5	2	2	1	1	165 92	55.76
Middlesex	10	4	1	3	1	1	150 82	54.67
Leicester	10	4	3	1	1	1	150 72	48.00
Lancashire	9	3	2	3	—	1	135 64	47.41
Glamorgan	10	3	1	3	1	2	150 71	47.33
Surrey	10	2	1	3	3	1	150 58	38.67
Sussex	14	4	5	1	1	3	210 80	38.09
Notts	10	2	2	2	2	2	150 54	36.00
Worcester	12	3	7	—	1	1	180 52	28.87
Northants	9	1	3	2	1	2	135 36	26.67
Gloucester	11	1	4	2	3	1	165 36	21.82
Essex	9	1	5	2	1	—	135 28	20.74
Somerset	10	1	5	1	3	—	150 29	19.33
Hampshire	11	1	6	1	3	—	165 29	17.57

—Reuter.

BASEBALL IN AMERICA

Major League Standings

NATIONAL LEAGUE

	Won	Lost	Pct.
New York	39	15	.722
Pittsburg	35	27	.565
Chicago	31	24	.564
St. Louis	33	26	.559
Brooklyn	28	28	.500
Cincinnati	25	35	.417
Philadelphia	20	34	.370
Boston	18	39	.316

AMERICAN LEAGUE

New York	37	22	.627
Cleveland	34	24	.586
Chicago	30	24	.556
Detroit	32	28	.533
Boston	29	30	.492
Washington	27	32	.458
Philadelphia	24	32	.429
St. Louis	17	39	.304

—United Press.

PERCY ALLISS SETS WORLD RECORD

SPECIAL TO THE "N.-C. HERALD"

London, June 19.

Percy Alliss, of Beaconsfield, made fresh golfing history at Gleneagles today by winning the Scottish Open Golf Championship with an aggregate of 273, which is a new world low total for a first-class championship.

He took only 66 for the final round, beating the course record by one stroke.—Reuter.

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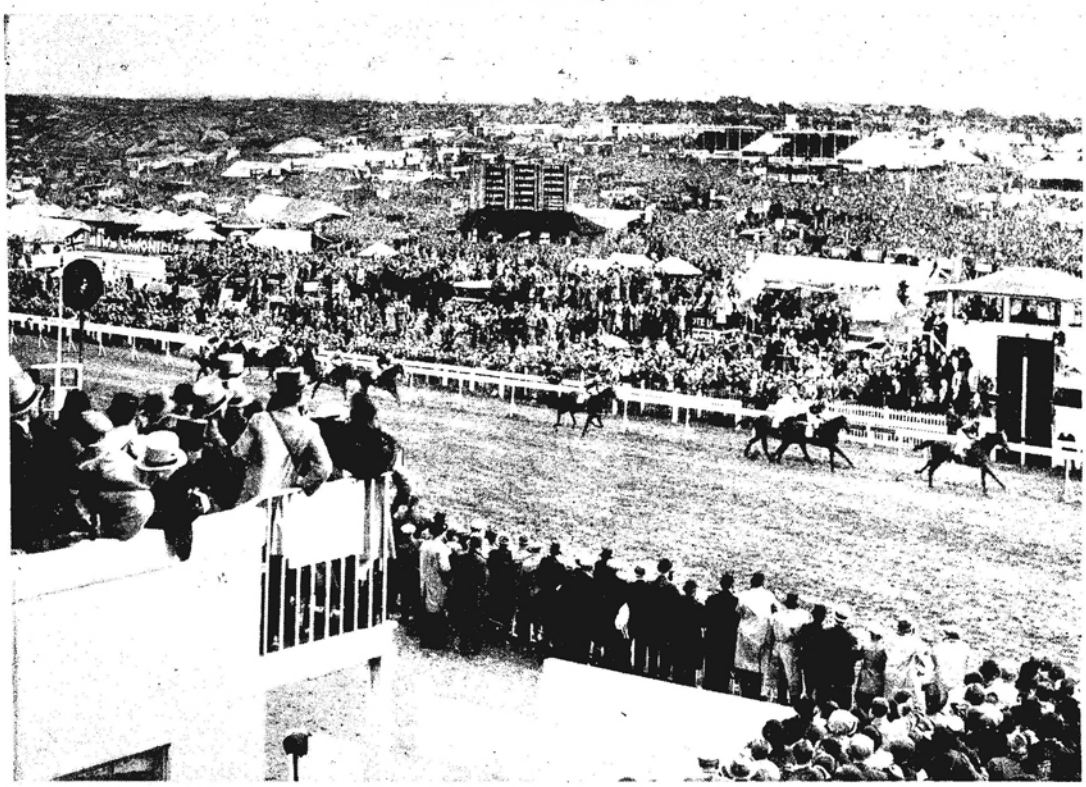
FIRST PICTURE OF THE FINISH OF THE DERBY

Exclusive to N.C.D.N.—Topical Press.



The picture shows Bahram, owned by H. H. Aga Khan, winning the Epsom Classic from Robin Goodfellow and Field Trial, before a large crowd. An odds on favourite, Bahram earned for his owner the much coveted honour of winning the Derby in the Silver Jubilee Year.

BAHRAM TAKES ST. JAMES'S PALACE STAKES

SPECIAL TO THE "N.-C. HERALD"

London, June 18.

There were no sensations on the opening day of the Jubilee Ascot meeting, although the going was soft owing to early heavy rain.

The weather, however, later turned fine.

The Derby winner, Bahram, went to the post in the St. James's Palace Stakes an odds-on favourite of 8-1, and justified the confidence of his backers by winning comfortably.

Twenty Grand Unplaced

Only one other favourite, however, was successful during the day, namely, Mr. Dewar's Fair Trial which, starting at 9-4, finished first in the Queen Anne Stakes, in which the American horse, Twenty Grand, the winner of the Kentucky Derby in 1931, ran unplaced.

The Ascot Stakes went to Sir Abe Bailey's grey mare Doreen Jane, an ex-plater, for whom only £360 was paid.

As the value of the race was £2,500 Sir Abe Bailey secured a rare bargain.

Doreen Jane starting at 100-7, made most of her light weight and won in the easiest fashion, from Apple Pie and Bactus II.

Win for Assignation

Lord Astor won the other big race, the Gold Vase, almost as easily with Flash Bye, an 8-1 chance.

The Aga Khan ran Hindoo Holiday in the Prince of Wales's Stakes. It started at 4-5, but ran unplaced to the Derby failures Assignation and Fairbairn. The former, starting at 100-8, won by two lengths from Fairbairn, whose starting price was 8-1.

Another warm favourite to fail was Owsay, the highest priced yearling last year. It cost Miss Paget 9,100 guineas, but it ran unplaced in the Queen Mary Stakes to Fair Ranee, an 100-8 chance.—Reuter.

Tiberius Wins Gold Cup

London, June 20.

The Baron E. de Rothschild's Brantome, the French "wonder horse," who won eleven races in France without being beaten, met his Waterloo at Ascot to-day in the Gold Cup, finishing fifth to Sir Abe Bailey's Tiberius.

The first three horses past the post were:—

Sir Abe Bailey's Tiberius	1
Mr. W. Woodward's Alcazar	2
M. M. Boussac's Denver II	3

Six ran. Won by eight lengths; two lengths separated second from third.

The starting prices were: 100-30 Tiberius; 20-1 Alcazar; 100-8 Denver II.—Reuter.

Royal Procession Held

London, June 19.

The customary Royal procession was witnessed at Ascot to-day as the weather, for the first time this week, turned sunny. The Queen and other members of the Royal Family and members of the Windsor Castle house party drove to the, course in state amid a great roar of cheering.

The result of the big race of the day was a real surprise, Priok, a rank outsider ridden by Middleton, an 18-year-old apprentice, winning the Royal Hunt Cup at odds of 66-1 with bookmakers and 220-1 on the totalisator.

The totalisator took £16,030 in win money and £13,229 in place money. The takings constitute a record for any race in England.

Scoop for Bookies

The race provided an absolute scoop for bookmakers. Of 10 horses backed between odds of 7-1 and 25-1 none placed.

The favourite, Lawmaker, and the French "Classic" filly, Mesa, who won the One Thousand Guineas, the third favourite, were never prominent.

Thirty-seven competed, which is the largest field in 73 years.

Bernard Hankey, the lucky owner, is only 30 years of age and has only a couple of horses in training.

Priok won easily by one length from Sir Henry Lyon's Scatter Cash, with Sir Alfred McAlpine's Llanarmon half a length away.

The Aga Khan's Umidwar, starting at 4-5, was a notable failure in the Churchill Stakes, which the French horse Denver, starting at 11-2 won.

Umidwar failed even to get a place although there were only six runners.

Another Favourite Loses

Another hot favourite to lose was Golden Martlet, which started at 7-4 in the Chesham Stakes but ran unplaced. The race was won by Pikebarn, at 5-1.

Derby form, however, stood backers in good stead in the King Edward Stakes, which Field Trial, second in the Epsom classic, won at 8-1, while Ankaret, second in the Oaks, captured the Coronation Stakes at odds of 5-1, although Coronel, fourth in the Oaks, was made the favourite at 3-1.

The brilliant sprinter Knighted, starting at 5-2, won the Fernhill Stakes, while the Bessborough Stakes went to the northern-trained Cariff at 10-1.—Reuter.

Windsor Lad Takes Rous Memorial Stakes

SPECIAL TO THE "N.-C. HERALD"

London, June 20.

Apart from the sensation caused by the defeat of the French crack, Brantome, in the Gold Cup, backers had a good day to-day at Ascot, five favourites winning.

Mr. M. H. Bensons' Windsor Lad, last year's Derby and St. Leger winner, whose withdrawal from the Gold Cup precipitated a lively controversy, won the Rous Memorial Stakes at odds of 4-9, although he had to be shaken up to beat Pampas Grass.

The latter, receiving 25 pounds, finished half a length behind. His starting price was 7-2.

H. H. the Aga Khan's Hairan, starting at 6-1, was a further two lengths away third and last.

Easy Win for Easton

Easton easily landed, at odds of 1-4, the Ribblesdale Stakes, while Bellacose, at 7-4, scored an easy win in the Granville Stakes.

Other winners were Bossover, owned by Miss Dorothy Paget, which took the New Stakes for two-year-olds at odds of 4-1, and the Derby failure Sea Bequest, which, starting at 6-4, scored a comfortable victory in the Waterford Stakes. Another Derby failure, Fairburn, starting at 9-2, was second.—Reuter.

Aga Khan Wins Jersey Stakes

London, June 21.

The Jubilee Royal Ascot at last came into its own to-day, when the meeting ended in glorious sunshine. The Royal party drove to the course in cariages.

Despite the indifferent weather, the totalisator beat all records with a turnover of £339,685 during the four days racing. To-days takings for the daily double also established a record, the sum reaching £5,494.

Theft, the third favourite in the Derby, easily won the Jersey Stakes at odds of 11-4 to give the Aga Khan his second victory of the meeting. Last year the Indian sportsman won seven races.

The King's colours were carried by Marconi in the Britannia Stakes, but Finalist, starting at 20-1, romped home an easy winner. Marconi ran unplaced.

Mr. Field's Double

The famous American owner, Mr. Marshall Field, won the Hardwicke Stakes with J. R. Smith at 4-1, and he went on to score a notable double by winning the Queen Alexandra Stakes with Enfield, last year's Cesarewitch winner.

Enfield, 6-4 favourite, won by four lengths from Sir Abe Bailey's Cecil, which started at 4-1.

The Wokingham Stakes went to a rank outsider in Sir Laurence Philipps' Theio. Starting at 33-1, the latter won easily by three lengths from Sir Charles Hyde's Kingsem, 5-1 favourite.

Snaifleet won the King's Stand Stakes in easy fashion. He went to the post a 5-4 favourite.—Reuter.

IMPELLETTIERE BEATEN BY TOMMY LOUGHRAN

Philadelphia, June 20.

Tommy Loughran, 182 pounds, outpointed Ray Impellietiere, 254 pounds, in ten rounds of fast boxing here last night. Impellettiere floored Tommy for the count of seven in the fourth round, but the Philadelphia man rallied and came back to put on his usual show of masterful boxing, to outpoint the big heavyweight.—United Press.

SEVENTH T. T. WON BY S. WOODS

London, June 19.

The lightweight motor-cycle Tourist Trophy race over the Isle of Man mountain course was won to-day by Stanley Woods. Including his previous victories in the senior and junior events, this is his seventh success.

He was riding an Italian Guzzi machine, and his average speed was 71.46 m.p.h.

Tyrell Smith, on a Rudge, was second, his speed being 70.67 m.p.h. G. E. Nott, on a Rudge, was third, his speed being 69.37 m.p.h.

A New Imperial was fourth, a Rudge fifth and an Excelsior sixth.

One competitor, D. J. Pirie, crashed during the race and died of his injuries.—Wireless through Reuter.

Stanley Woods Wins Senior T.T. Race

Isle of Man, June 22.

After the most thrilling race in the history of the Tourist Trophy, Stanley Woods, riding a Guzzi, won the Senior event today by four seconds from Guthrie, who was riding a Norton. The times of all the first three—Woods, Guthrie and Rusk—bettered the previous record, while the winner also set up a new lap record of 86.53 miles an hour. Woods won in 3 hours 7 minutes 10 seconds at an average speed of 84.68 miles an hour, while Guthrie finished in 3 hours 7 minutes 14 seconds at an average speed of 84.65 miles an hour. Rusk's time was 3 hours 9 minutes 45 seconds. The race had been postponed for one day, for the first time in 28 years, because of mist on the mountain section of the course.—Reuter.

HENRY COTTON REFUSES CAPTAINCY

London.

Henry Cotton, the open golf champion of Great Britain, has turned down the offer to captain the England professional team against Scotland. The match will be played at Muirfield on June 22.

The reason he gives for his decision is that it would interfere with his plans for the open Championship, which begins two days later.

"Is it not more important that a British player should win the open championship?" he asked. "I am going to try to win again, and to play in this match would interfere with my preparation.

"It is not Scotland we want to beat in golf. We want to get Britain into supremacy again."—Reuter.

FROM THE SHANGHAI

Municipal Gazette

LOAN OF 1925.

In accordance with the report made by the Treasurer and Controller to the Finance Committee of the Council on April 2, when he presented the financial statement for 1934 and the Budget for 1935, the Treasurer and Controller, after reference to the Trustees for the Debenture Holders, recommended the Council that redemption of the Six Per Cent. Loan of 1925 remain in abeyance. After consideration of the matter by the Finance Committee, the Council on June 12 adopted the Treasurer's recommendation.

The Six Per Cent. Loan of 1925, amounting to Tls. 5,600,000, was issued for a term of ten to thirty years, the first optional date for repayment being December 31 next.

ANNUAL RECESS.

The Council will go into recess this year from July 25 to September 3 inclusive.

MATCH WITH SOUTH AFRICA DRAWN

Nottingham, June 18.

Owing to heavy overnight rain, which so saturated the wicket that it was impossible to resume play today, the first Test match between England and South Africa has resulted in a draw. The decision to abandon play was made in the afternoon after the umpires and the respective captains had made frequent inspections of the pitch.—Reuter.

Details:

ENGLAND 1ST INNINGS

R. E. S. Wyatt, c. Wade, b. Crisp	149
Sutcliffe, l.b.w. Langton	61
Hammond, l.b.w. Vincent	28
N. S. Mitchell-Innes, l.b.w. Mitchell	5
Leyland, c. Mitchell, b. Crisp	69
Ames, c. Viljoen, b. Vincent	17
Iddon, c. Rowan, b. Vincent	29
Nichols, not out	13
Extras	13
Total (for 7 wkts. decl.)	384

BOWLING ANALYSIS

	O.	M.	R.	W.
R. J. Crisp	18	4	49	2
A. B. C. Langton	39	3	117	1
C. R. Vincent	43	9	101	3
D. L. Tomlinson	10	0	38	0
B. Mitchell	22	1	66	1

Fall of wickets: 118-1 (Sutcliffe), 170-2 (Hammond), 179-3 (Mitchell-Innes), 318-4 (Wyatt), 325-5 (Leyland), 355-6 (Ames), 371-7 (Iddon).

SOUTH AFRICA 1ST INNINGS

I. J. Siedle, b. Verity	59
B. Mitchell, b. Nichols	25
E. A. Rowan, c. Ames, b. Robins	20
A. D. Nourse, c. Hammond, b. Verity	4
H. F. Wade, c. Nichols, b. Verity	18
H. B. Cameron played on Nichols	52
Viljoen, b. Nichols	13
C. R. Vincent, l.b.w. Nichols	0
D. L. Towlson, b. Nichols	9
A. B. C. Langton, not out	0
R. J. Crisp, c. Robins, b. Nichols	4
Extras	16
Total	220

Fall of wickets: 25-1 (Mitchell); 98-2 (Rowan); 103-3 (Nourse); 120-4 (Siedle); 174-5 (Wade); 198-6 (Cameron); 198-7 (Vincent); 215-8 (Viljoen); 216-9 (Tomlinson); 220-10 (Crisp).

BOWLING

	O.	M.	R.	W.
Nichols	23.5	9	35	6
Bowes	22	9	31	0
Verity	41	18	52	3
R. W. V. Robins	19	4	65	1
Iddon	4	2	3	0
Leyland	7	2	18	0

SOUTH AFRICA 2ND INNINGS

I. J. Siedle, c. Verity, b. Nichols	2
B. Mitchell, not out	8
E. A. Rowan, not out	6
Extra	1
Total (for one wkt.)	17

BOWLING

	O.	M.	R.	W.
Nichols	5	1	14	1
Bowes	4	3	2	0

—Reuter.

PERRY TO WORK IN AUSTRALIA

London, June 21.

Mr. Fred Perry, generally conceeded to be the greatest amateur tennis player in the world, announced to-day that he had been named a director of Slazengers, the famous Australian sporting goods house, and that he was moving to Sydney later in the year.

However, he pointed out that his new position will not end his active playing career and that he will still be available for Davis Cup play.

"I am going to America later in the summer for the purpose of defending the American championship.

"It was the prospect of a connection with Slazengers that prevented me from accepting movie offers while in Hollywood."

It was pointed out that Perry was not violating his amateur status by joining the noted sporting goods firm. —United Press.

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SHANGHAI LAW REPORTS

H.M. SUPREME COURT

British Law on Legal Fees

Judgment for the sum of $353 with costs was awarded Mr. Percy Chialing Moe against Mr. E. T. Maitland, British lawyer, in H.M. Supreme Court by Judge P. Grant Jones on Tuesday, June 18.

The judgment gave a full exposition of the law defining practice in British courts disallowing solicitors to stipulate a proportion of a sum recovered as fees in a successful action.

Judge Grant Jones' judgment follows:—

The indorsement on the writ in this action claims the sum of $353 "being money paid to the defendant and deposited with H.B.M. Supreme Court as security for costs in an action entitled Percy Chialing Moe et al v. F. W. Loader in which the defendant appeared as the solicitor for the plaintiff. The above entitled action was concluded on March 21 1935 and the defendant on April 24 without the knowledge of the plaintiff withdraw the said sum of $353 which sum should have been returned to the plaintiff but instead the defendant has detained and refused to return the said sum to the plaintiff in spite of repeated demands made by the plaintiff on the defendant to do so."

The action came to trial on June 6 without written pleadings under Rule 120 of The China Rules of Court 1905. The defence was that the sum in question had been retained by the defendant, with the consent of the plaintiff, as an advance on account of fees due to the defendant for his services in the action Percy Chialing Moe et al. v. F. W. Loader in which the plaintiff obtained judgment on an account stated for $2,500 with interest and costs.

Mr. Maitland's evidence was to the effect that he arranged to take that case from a Mr. L. K. Kentwell, whom the plaintiff had consulted in the first instance, and received from him $250 on account of his fees. The receipt given by defendant on February 19, 1935 acknowledges the receipt of this sum "being legal fees in the case of Percy C. Moe & Wong Pao-jen v. Frank W. Loader;" there are no words indicating that the payment was merely made on account but the witness stated that immediately after the delivery of judgment against Loader on March 21 the plaintiff came to his office and, in reply to an enquiry as to a further payment of fees, replied that he had no money and the witness could take the security money on account of them. Mr. Maitland made no reference to the specific agreement set up by the next witness.

Mr. Henry Khoo, a Chinese attorney-at-law who is apparently associated with defendant in his practice and in charge of the accounts of the office, said that about a week after the February 19 Kentwell and Moe came to the office and promised to pay $1,000 "after winning the case for $5,000." (The actual amount claimed by both plaintiffs from Loader was $5,946.68). With regard to the interview on March 21 he said: "On March 21 about 12.15 p.m. Moe and Maitland returned to the office and told me the case was won. I asked about the payment of the $1,000; Moe said he had no money and asked defendant to withdraw the security as part of his fees and he would pay another $100 within a week." The $100 was in fact paid on April 10. This witness brought to light the fact that the amount actually withdrawn was $338.25, and not $353 as stated on the writ (for which latter amount, however, the plaintiff produced Mr. Maitland's receipt) and claimed that a balance of $561.75 was still due and owing to their office on account of the fees in Moe v. Loader.

The plaintiff's story on the other hand was that defendant had agreed to take that case for an inclusive fee of $250, and he strenuously denied that he had ever consented to the retention of the $353 by defendant on account of further fees. He had, he said, never promised to pay $1,000 if he won the case against Loader; what he had promised after judgment in that action was to give Maitland and Kentwell 20 per cent. of the amount collected on the judgment, and he had paid the $100 on April 10 in respect of a judgment summons to be taken out against Loader with which he subsequently decided not to proceed. At that date he was unaware that defendant had already withdrawn the deposit from the Court. In support of this version of the transaction a letter from Kentwell to defendant of May 1, 1935, was produced informing the latter that the plaintiff did not wish to proceed further in the matter and requesting him to withdraw the security of $353 "by first opportunity." Mr. Kentwell said that when plaintiff consulted him in the matter of his claim against Loader he decided to brief Mr. Maitland and at an interview between them the latter agreed to take the case for an inclusive fee of $250. Moe agreed to pay this amount and the money was handed to defendant on February 19 against the receipt produced. When the case was over the plaintiff asked him to get defendant to withdraw the deposit; he accordingly called on defendant who said that Mr. Khoo had the money. The witness called again on several occasions and finally on May 8 received a letter from defendant admitting liability but stating that Mr. Khoo, who "as you know is in charge of all the office finances and admits having the money, considered it further payment of costs."

The parties may not have been *ad idem* in the matter, in which case there would have been no contract, but on the evidence I incline to the view that defendant did verbally consent to take the case of Moe v. Loader for an inclusive fee of $250 and I accept also the plaintiff's version of his promise to give Maitland and Kentwell 20 per cent. of the amount collected on the judgment against Loader. With regard to the agreement alleged by Mr. Khoo for the defence I must direct attention to the fact that Sections 4—15 inclusive of the Attorneys and Solicitors Act 1870 were applied to agreements between legal practitioners and their clients by Rule 2 of The China (Taxation of Costs) Rules 1929. Section 4 of the Act in question provided that an agreement in writing might be made by an attorney or solicitor with his client respecting the amount and manner of payment for the whole or any part of any past or future services in respect of business done or to be done by such attorney or solicitor, subject to examination by a taxing officer and possible reference to a judge. The client was not bound unless the agreement was signed by him (*Re Thompson, Ex p. Baylis*, 1894 1 Q.B. 462), but the solicitor was held to be bound although the agreement was not in accordance with the statute (i.e. not in writing) since such an agreement was valid at common law (*Clare v. Joseph*, 1907, 2 K.B. 369). Section 11 of the same Act prohibited any agreement by which an attorney or solicitor stipulated for payment only in the event of success.

Section 4 to 18 of the Attorneys and Solicitors Act 1870 were repealed by the Solicitors Act 1932 but Section 4 of the former Act was reproduced (in part) in Section 59 and the proviso to Section 4 in Section 60(5) of the latter. Section 11 of the earlier Act was likewise reproduced in Section 63(ii) of the later Act which again denies validity to "any agreement by which a solicitor retained or employed to prosecute any action, suit or other contentious proceeding stipulates for payment only in the event of success in that action, suit or proceeding." These sections of the Solicitors Act 1932 are applicable to legal practitioners here by virtue of the provisions of Section 38(1) of the Interpretation Act, 1889. The agreement alleged by Mr. Khoo was not only not in writing as required by S. 59 of the Solicitors Act 1932 but also appears to have been champertous in its nature contrary to S. 63(ii) of that Act. In *Re A Solicitor, Ex p. The Law Society* (1912, 1 K.B. 302) Darling J. said: "Champerty, as the word implies, was originally common in times when there was little property of any value except land. Most early litigation was about land, and when the bargain was one which resulted in the partition of a field, what was recovered was *champ parti* between the solicitor and the person who claimed it. One got so much and the other so much, and that was forbidden because it led to speculative litigation and the harassing of persons who ought to feel secure in their rights, for the benefit of lawyers and other speculative persons. The facts of this case bring it absolutely within the definition of champerty given in *In re Attorneys and Solicitors Act 1870* (1875, 1 Ch. D. 573) by Sir George Jessel M.R. in his judgment," in which that learned judge said that the object of Section 11 of the Act was "to provide against champerty" and "any agreement which amounts to champerty."

Judgment will accordingly be entered for the plaintiff in the amount claimed, with costs.

H. M. POLICE COURT

Bus Co. Fine for Overcrowding

Traffic Regulation 36B, which prohibits the overcrowding of public vehicles, was again held to be "reasonable," by the Registrar, Mr. C. H. Haines, in H.M. Police Court last Wednesday morning when he found the China General Omnibus Company guilty on four charges of overcrowding and imposed a nominal total fine of $20, $5 for each offence.

Summing up the case the Registrar said that there was no evidence to show that any attempt was made by the defending company to prevent overcrowding and he was bound to find the company guilty of disobedience of the regulation.

"As I said in the tramway case," he said, "the prosecution having proved that the regulation had been broken, the onus of proving non-wilfullness goes on the defendants."

The only proof he had of non-wilfullness, he said, was the general attitude of the defendants and he felt quite satisfied that the orders issued —Mr. J. D. E. Shotter in evidence had said that all conductors had been instructed since March to keep a check on passengers and if the authorized number is exceeded, excess passengers are refused fares and, at a convenient spot, the bus is stopped and the police called to expell such excess—were very right and proper.

Mr. F. G. Livingstone of Messrs. Hansons appeared for the prosecution and Mr. H. Lipson Ward for the defendants. Both counsel appeared in a similar case against the Tramway Co. (Shanghai Electric Construction Company), which was recently found guilty of overcrowding and fined $60 and ordered to pay $20 towards the costs of the prosecution.

The defence of the Bus Co. differed from that of the Tramway Co., in that whereas the latter admitted fares were taken from excess passengers, the former, the present defendants, brought evidence to show that since the police warning was received in March of this year, prior to the four summonses being served, instructions were given conductors that no fares should be collected from excess passengers.

Another difference, given by Mr. Shotter in evidence, is that when overcrowded by passengers conductors are told to stop the bus at a convenient place and if necessary obtain police assistance to turn off excess passengers who refuse to leave of their own free will.

Defending counsel, who reserved his cross-examination of witnesses for the prosecution at the last hearing, commenced proceedings by re-calling Insp. R. Taylor, one of whose duties is to inspect all new buses put on the road.

Witness said that he did not know that in actual fact all four buses mentioned in the charges could be turned into double-deckers. The Bus Co., he said, merely submitted the number of passengers that they thought each particular bus could carry.

Addressing the bench on his case Mr. Lipson Ward said: "These are summonses against the China General Omnibus Co., Ltd. I put the same two questions as I put in the Tramway Co.'s case, the answer to which must depend on the evidence given in this particular case. The Bus Co. are of course not bound in any way by your decision in the tramway case. And the two questions are questions of fact, which have got to be determined by you on the evidence.

"The two questions of fact are whether Traffic Regulation 36B is reasonable, and the second question of fact is whether it has been wilfully disobeyed by the company, the defendants. The words of Bye-Law 36 of the Land Regulation are "Any person who shall wilfully disobey any reasonable regulation."

At this point the Registrar interrupted to inquire whether counsel implied that, though the regulation was found to be a reasonable one in the tramway case, it was unreasonable in this case. He pointed out that it was impossible to say one minute that a regulation was reasonable and at another that it was unreasonable. If fresh evidence was produced, he said, he was prepared to listen to it but to go over a similar argument as was put forward in the Tramway Co. case was, he thought, a waste of time.

Counsel replied that he was going to submit that on the evidence he was calling in this particular case, the Registrar must decided the facts in the favour of the defending company.

The material question to decide, he said, which evolved from the two previous questions, was again the same as he put forward in the tramway case, namely "Whether as a question of fact—having regard of existing circumstances and the powers of the Bus Co., the defendants—they can reasonably carry out the regulation. And secondly whether they had wilfully disobeyed it."

Counsel then called Mr. J. D. E. Shotter, manager and chief engineer of the China General Omnibus Co., Ltd., to give evidence. Witness said it was true that the chassis of the four buses concerned in the charges were able to carry a double-deck.

Counsel: That would mean, would it not, they could, from the point of view of safety, have carried 50 per cent. more passengers?—Yes.

The difficulties which confronted the Bus Co., Mr. Shotter said were that three of the major routes converged upon each other, in perhaps, the most congested parts of the city, namely from the Garden Bridge to the Palace Hotel. The routes he said were No. 1, No. 9, and No. 10, three routes carrying 65 per cent. to 70 per cent. of the company's entire passenger traffic each day. The westward routes taken by these three buses were along Avenue Edward VII, Nanking Road, and Peking Road. Therefore, he said, everyone using these three bus routes were naturally drawn to these roads and caused conjestion.

In Shanghai, he continued, there was a much greater congestion per area than in ordinary European cities and rickshaw traffic added to their difficulties, and, if they were off the road, the company would be able to put many more buses on their routes.

Counsel: These are questions of law. Under Traffic Regulation 36B, you, the company, have no power to eject passengers or use any violence towards them?—Quite so.

Counsel: It is no offence for passengers to overcrowd the buses and refuse to leave a bus that is overcrowded?—That is as we understand it.

Mr. Shotter then outlined his instructions to conductors to meet existing difficulties. Conductors, he said, were told to keep a careful check on passengers and they were to refuse to sell tickets to those actually overcrowding. When overcrowding unavoidable occurred, conductors were instructed to proceed with the bus until a police officer was seen and then to stop the bus. Mr. Shotter pointed out that in congested areas it was not always possible to stop the buses immediately and in this way overcrowding offenders travelled one or two bus stops without payment at all.

Counsel: Is overcrowding in your interests?—No, decidedly against our interests, because it is liable to increase maintenance charges—heavier weight to be propelled by our engines considerable loss of revenue through uncollected fares, and it is very bad for the morale of the staff and it does not help with regard to the public.

Everything in the power of the company, Mr. Shotter said, had been done to prevent overcrowding. The fleet of the company since 1932 was increased by 44 buses, and in addition 21 double-deckers were built. Two million dollars he said, had been spent on improvements, and the number of passengers carried per mile was reduced by about 13 per cent.

There were, he said, an average of 125 buses on service every day, double-deckers averaging from 19 to 20 a day.

To alleviate overcrowding on the No. 1 route, witness said that the company had put into operation a new route, No. 12, which ran parallel with No. 1, but the experiment had not proved successful.

Asked if overcrowding occurred in double-deckers on the top deck, witness said it was unusual because passengers paid extra for the privilege to sit there and therefore the conductors were often given assistance.

The Registrar remarked that this—the co-operation of the public—seemed a solution to the problem.

Witness said that at no time had the Municipal Council quarrelled with the company as regards the efforts of the latter to prevent overcrowding.

Counsel read several letters which passed between the Council and the company referring to improvements in the Bus Co. to cope with the increasing need for public passenger transport. Asked by the Registrar the relevancy of the evidence, counsel replied "I want to educe evidence that the Council knows it is impossible for this Bye-Law to be carried out, secondly that the company has met the situation to the best of its capabilities."

Counsel pointed out that the Council made the Bye-Law yet it also admitted in reports in the Municipal Gazette of 1931 that the Bye-Law could not be carried out.

Cross-examined by Mr. Livingstone witness said he was a British subject.

Mr. Livingstone: On the question of trespass. Do you know that if you had a person coming into your house you have power to ask them to leave your house because they are trespassing on private property, and secondly you have power to use as much force as is reasonable to expell them?—I am not aware of that.

Mr. Livingstone: Therefore I suggest you should inform these passengers they were trespassing and if need be you could compel them to leave by using as much force as necessary.

Witness: That is with violence?—You can use violence if they use violence.

Witness said that the new route, route No. 12, which operated in rush hours, proved, so far, a financial failure and was loosing $4,000 a month. In re-examination witness said that $700,000 had been spent by the company on double-deckers since the beginning of last year.

Defending counsel then called Mr. A. D. Bell, formerly a member of the Municipal Council, who sat as chairman of a joint committee of the Utilities and Public Committees to consider the problem of bus overcrowding.

Witness agreed that at the meeting, the Commissioner of Public Works and Commissioner of Police gave their views of overcrowding, and he had then reported to the Council in the form of a minute.

Continuing counsel asked, "And did you form an opinion that you expressed to the Council from what you heard at the meeting——?

The Registrar interrupted counsel at this point and said what the witness had reported to the Council had nothing whatsoever to do with the present charges.

Counsel asked whether the Registrar refused to take down this evidence—evidence, he said of the result of hearing of argument on a regulation, which was held impossible to comply with, and on which a public report was published.

Mr. Bell's evidence, he said, was that a certain regulation was not reasonable, determined by the people who made the regulation.

"It is no evidence," the Registrar replied, "on which I can decide this case.

Mr. Lipson Ward asked the Registrar to make a note of his refusal, "So that hereafter," he said, "I can, if I wish, challenge your decision."

Mr. R. H. Beer, assistant traffic manager of the Bus Co., was the last witness called by the defence. Mr. Beer said that when conductors attempted to stop people getting on a bus they were simply pushed aside by the surging crowd anxious to get aboard. Buses, he said, since Mr. Shotter had issued fresh instructions, had been stopped to allow police officers on board to expell excessive numbers.

Mr. Livingstone did not cross-examine either of the last two witnesses and Mr. Beer's evidence closed the case for the defence. The Registrar then gave his decision.

Motorist Fined £2

Mr. N. B. Karanjia was fined £2 by the Registrar, Mr. C. H. Haines, in H.M. Police Court on Tuesday morning, June 18, for ranking car No. 8935 in Hankow Road on the north side near the Bund during prohibited hours.

The defendant was late in coming to court and when he appeared his case was already proceeding. The prosecuting police officer said that the defendant was an old offender. Twice, within recent times, he had appeared in court on similar charges and had been fined 10s. and 15s. respectively.

Two other ranking offenders, Mrs. D. Fraser and Miss Ethel W. Tasker, were charged in H.M. Police Court yesterday morning and fined 5s. each.

Indian Dies in Bed of Asphyxia

Death due to asphyxia caused either by vomiting and self-choking of the wind-pipe or external compression on the front of the neck, were two theories advanced by Dr. S. K. Squires at the inquest held in H.M. Police Court on Tuesday, June 18, on Kabul Singh, who died on June 11.

The smell of alcohol from the deceased and the fact that there were no marks of a struggle having taken place, Dr. Squires said supported the first theory, self-choking of the wind-pipe.

But, he continued, in his post-mortem examination, he noticed haemorrhages in the neck muscles of the deceased, which were too large to be caused merely by excessive alcohol and were more in keeping with pressure having been applied.

He pointed out it would be possible to strangle a man, who was drunk, by using a cloth of soft material and no marks would be left.

After hearing the evidence of two further witnesses, the Coroner, Mr. C. H. Haines, adjourned the inquest until next Tuesday.

The two Indian witnesses called, Jagandar Singh and Sewa Singh, who lived in the same room as the deceased, said that on June 10, Kabul Singh returned drunk.

Jagandar Singh said that the deceased was an opium addict, and when he gave up this habit took to drinking heavily. On the day of his death in the morning, Jagandar Singh said he had found Kabul Singh unwell and thinking him drunk laid him on a bed.

Witness said he visited the deceased several times during that morning but each time he found Kabul Singh lying in the same position. At noon he felt Kabul Singh's hand and found it cold. Further examination told him Kabul Singh was no longer breathing and he then made a report of the matter.

Both Jagandar Singh and Sewa Singh said that Kabul Singh did not have any enemies to their knowledge.

Inquest on Unnamed Child

The body of an infant child whose death occurred a few hours after birth on Thursday and who was subsequently buried on that day in Baikal Road Cemetry, was exhumed

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on Friday morning on the orders of the Coroner, Mr. C. H. Haines, who has opened an inquest on the infant's death.

The reason for the inquest, it is understood, is that no death certificate was obtained before the child was buried.

After the evidence of Dr. Ida Leiboshetz, the inquest was adjourned until 2.30 p.m. on Wednesday, July 3.

Dr. Leiboshetz said that she attended the mother, Mrs. Memaham, when the child was born at 1.30 a.m. on June 20. At 2.45 a.m. she left the house. The new born babe was then in good condition and quite normal.

At 8.30 a.m. she was summoned to visit the babe but on her arrival at 8.50 a.m., the child was dead. Death took place, she said, about two hours before her arrival.

U. S. COURT FOR CHINA

Judgment for L. E. Hudec

"Defendant testified he is virtually a pauper, possessing nothing of his own subject to execution, but lives and does business in Shanghai on money in his mother's name, under a sweeping power of attorney from her. In this melancholy state, he is restricted to membership in three clubs, and reduced to living in a leading hotel at a monthly expense of $2,000," remarked Judge Milton J. Helmick, giving judgment on Thursday in the U.S. Court for China against Mr. Grant Mark. The case was a proceeding in garnishment, with Mr. L. E. Hudec as plaintiff, Mr. Grant Mark defendant, and the China Finance Corporation garnishee. Counsel were Mr. N. F. Allman and Dr. A. Grossman for the plaintiff, and Mr. C. S. Franklin for the defendants.

Judge M. J. Helmick's opinion is as follows:—

This is a proceeding in garnishment in which the garnishee had made an Answer to the Writ alleging that it holds no property of the defendant and is not indebted to the defendant. To this Answer plaintiff has filed a Traverse denying the truth of the Answer and on the issues so framed a hearing was made before the Court, in accordance with Sections 136 and 137 of Title 24 of the District of Columbia Code.

In order to understand the law and the facts involved in this matter it is doubtless advisable to review the history of the case. The plaintiff, L. E. Hudec, who is an architect, brought an action at law against the defendant, Grant Mark, on November 15, 1933, to recover for professional services rendered. After personal service of process upon him the defendant made default and judgment was rendered against him in the sum of Sh. $19,849.02 and costs, on February 20, 1934. Execution was taken out but returned *nulla bona* by the United States Marshal. At the time this judgment was recovered the defendant was employed by the garnishee, the China Finance Corporation, under a three-years' contract of employment which had more than a year left to run. On March 15, 1934, this contract was cancelled by a settlement between the parties whereby the defendant was to be paid $50,000 by the China Finance Corporation as consideration for the premature termination of his employment. At the time this agreement was made the plaintiff deemed it impossible to sue out a Writ of Garnishment or Attachment because there was no Judge of this Court, owing to a vacancy, and consequently the plaintiff resorted to a make-shift emergency course of procedure, by serving the China Finance Corporation with a copy of the Execution which had formerly been taken out, and by writing it letters warning it not to pay anything to the defendant.

This procedure was, of course, legally ineffectual to bind the China Finance Corporation or to constitute it a garnishee. The company carried out its agreement with the defendant, but at his direction paid the $50,000 to defendant's mother, Mrs. Myra L. Mark, said to be a British subject, instead of to him. The company, in view of plaintiff's letters and protests, in order to proteot itself against any possible liability, exacted an indemnity in the form of a cash deposit of $25,000 to be left with it before paying the money to defendant's mother. This indemnity arrangement furnishes the basis of the present garnishment proceeding because plaintiff asserts the fund so deposited is either the money of defendant or money owing to him.

It is well to interrupt the orderly recital of facts at this point to mention the supplementary proceeding had in this case some weeks before plaintiff sued out the present Writ of Garnishment. Although the supplementary proceeding bore no legal relation to the matter now before the Court, yet it seems pertinent because the decision has been repeatedly cited as a controlling precedent in the garnishment matter now before the Court, and because the facts established therein may somewhat illuminate the more obscure aspects of the transaction. In that supplementary proceeding the plaintiff caused the defendant to be brought before the Court by citation, to make disclosure under oath of his property and financial affairs. At that time the plaintiff did not know of the deposit which is now under garnishment and consequently the inquiry largely centred around a bank account in the Chase National Bank which stood in the name of Myra L. Mark and which the defendant used freely under a Power of Attorney from her. Defendant testified he is virtually a pauper possessing nothing of his own subject to execution, but lives and does business in Shanghai on money in his mother's name, under a sweeping Power of Attorney from her. In this melancholy state he is restricted to membership in three clubs and reduced to living in a leading hotel at a monthly expense of $2,000. The decision of the Court at the close of the supplementary proceeding was as follows:

"It is a matter of some chagrin to the Court that it is unable to render the decision which it believes is called for by the facts. The one insurmountable difficulty and the only difficulty in which the Court is interested is the question of citizenship and to that difficulty there seems no answer. With this defendant, his property, and with the bank, the Court can deal. With the rights of his mother, either real or claimed, this Court cannot deal. Among her rights, and a very substantial one, of course, is the right she is exercising of drawing on this account. This Court cannot reach her nor her property. That situation arises, of course, because of the legal complexities obtaining in the city of Shanghai. It would be unthinkable for this Court to presume to call in British subjects or deal with their rights. The best this Court can do, I suppose, is to continue what has been done and which may be rather cold comfort to the plaintiff; that is, the Court will continue its restraining order against this defendant forbidding him from drawing on this account. That seems to be about the best the Court can do and as far as the Court can go. Perhaps some relief on the other side of the picture might be obtained in the British Court if plaintiff will apply there. That, of course, this Court cannot say. As the matter stands now the Court feels that this account is a fraudulent device but since the account is ostensibly that of a British subject the Court can inquire no further. And in passing I might say that any American bank in this community may expect from time to time to be served with the orders of this Court and banks must neither be surprised nor irked by it. That seems to be about all the Court can say. The restraining order will be continued until the further order of the Court."

So much for the interlude of the supplementary proceeding.

In resuming the recital of facts involved in the garnishment matter it is advisable, first, to note the positions and attitudes of the interested parties at the hearing on the Traverse to the Answer. The plaintiff sought to establish that the indemnity deposit was a fund in the hands of the garnishee, belonging to or owing to the defendant. From the plaintiff's standpoint the indemnity aspect of the deposit is immaterial because he is not sueing the company nor bringing an action based on the theory of an undertaking for his benefit, but he is prosecuting an ordinary Writ of Garnishment to seize funds of the defendant in the possession of the company. The garnishee denied that it holds funds belonging to or owing to the defendant and took the position that, although it is indifferent whether plaintiff or defendant benefits by this litigation, yet it is vitally concerned in having protection against a double liability and therefore objects to paying out any money except upon a valid adjudication which is binding on all necessary parties. The defendant, although duly notified, ignored the hearing and was not represented by counsel. Defendant's mother filed no intervention nor any other written pleading or claim, but through counsel in open Court orally entered her "special appearance" for the purpose of "denying the jurisdiction of the Court." Except for the argument of her counsel at the close of the hearing, she did not participate in it.

The evidence disclosed the following facts. The indemnity given the garnishee before paying the defendant's mother is in the form of a deposit with the garnishee in the sum of $25,000 in the name of A. Loonis, a subject of Belgium. he terms and conditions of the deposit are contained in an instrument executed by Loonis and the garnishee which reads as follows:—

Shanghai, March 26, 1934.

Messrs. China Finance Corporation
Federal Inc., U.S.A.,
4 Hankow Road,
Shanghai.

Dear Sirs,

Mr. Grant Mark has informed me that he has agreed with you to cancel his contract of employment as general manager of your company in consideration of the payment by you of Fifty Thousand Dollars ($50,000) Local Currency to his Mother Mrs. Myra L. Mark but that you are hesitating about the payment to her because you have been served with a writ of execution issued by the United States Court for China and based upon a judgment secured in that Court by Mr. L. E. Hudec against him for Mex $19,849.02 and costs of court. In consideration of you making such payment of $50,000 Local Currency to Mrs. Mark, I agree to indemnify you and save you harmless from and against any and all claims, action and suits whether groundless or otherwise and from and against any and all liabilities, losses, damages, costs, charges, counsel fees and other expenses of every nature and character in respect of, or by reason of such payment to Mrs. Mark but all charges in the nature of counsel fees and other expenses in connection with any suit or action against your Company by Hudec or his assigns shall be fair and reasonable and provided further that my liability hereunder is limited to Mex $25,000.

"As security I enclose herewith my check for Twenty-five Thousand Dollars ($25,000) Local Currency which sum you are authorized to keep until such time as the question of your liability in the premises has been determined, provided you pay me interest thereon at the rate of six per cent. (6%) per annum, payable quarterly.

"I am sending you this letter in duplicate with the request that if you agree to the terms set forth herein, you signify your approval by signing and returning to me the copy.

Yours truly,
(Signed) A. LOONIS

W. A. ADAMS (Signed)
Witness

Approved: CHINA FINANCE CORPORATION
by (Signed) M. W. PURDY
President.
(Signed) H. F. PAYNE
Treas.

Loonis voluntarily appeared at the hearing and under oath disclaimed any interest in the money. He testified the money had been handed him in the form of a cashier's cheque of the Chase National Bank by an employee of the bank in Grant Mark's presence, but did not know who applied for the issuance of the cashier's cheque nor in what manner it was applied for. He testified by way of conclusion that he understood defendant, in procuring the delivery of the cheque to him, was acting in behalf of his mother, Mrs. Myra L. Mark, in the same manner in which he conducted all his business, because in various other business transactions defendant had always acted on behalf of his mother and not for himself. The witness Speelman testified that defendant offered different forms of guaranty but the Company declined them and insisted upon a cash deposit. His conversations with regard to the demand were with the defendant and no one else, so far as his testimony discloses, although he talked with others later.

No comfort, the Court believes, can be derived from the decision rendered in the supplementary proceeding because the situation there is clearly distinguishable from the one here. In that matter the account in the Chase Bank was a deposit which was *prima facie* the property of Myra L. Mark because it stood in her name, and it was obvious the Court could not inquire into it without bringing her in as a party to the case, while in this matter we are dealing with a deposit in an American company where there is no *prima facie* ownership in anyone unless it be in an American citizen who caused it to be deposited. The Belgian citizen in whose name the deposit stands has disclaimed it under oath and it now stands nameless. Neither in the indemnity letter nor on the books of the garnishee nor in the evidence before the Court is there anything to identify Mrs. Mark as the owner of the $25,000 deposit. Her tag is nowhere affixed. The only persons known to the garnishee in the transaction are Grant Mark and Loonis and it is impossible to discern any privity between the garnishee and Mrs. Mark. The possibility of any interest of hers in the deposit appears only by suggestion of counsel or from some inference which is sought to be gathered from the surmises and hearsay testimony of the witness Loonis. It must not be supposed that the jurisdiction of this Court can be defeated in any proceeding *in rem* by the mere suggestion without proof that the fund or property in question belongs to a non-American whose title does not otherwise appear and who makes no claim by intervention.

It is true, of course, that Mrs. Mark does not have to intervene to set up her claim if she does not choose and that she cannot be forced to do so by this Court. From this circumstance the theory is evidently advanced that her mere existence renders the Court powerless to deal with the matter before it. The Court believes that having complete jurisdiction of the plaintiff, the defendant, the garnishee, and the fund, it can proceed with the business in hand without her. Anyone in China who undertakes a transaction with an American company does so with the knowledge that he must apply to the American Court for any desired relief growing out of the transaction, just as anyone who undertakes a transaction with a British firm knows he must apply to the British Court. Anyone in China claiming property in American hands must seek its recovery in the American Court. For a plaintiff or a claimant the proper tribunal is frequently not of his own nationality, and the law here as elsewhere dictates that one who neglects to apply to the proper tribunal to enforce his rights must necessarily waive them. In this principle there is nothing inconsistent with the familiar limitations on the powers of the Court with reference to other nationals.

The primary question involved here is whether defendant could recover the fund from the Company had it not been garnisheed.

"The very purpose of garnishment being to subject defendant's property to plaintiff's claim, it is obvious that the ultimate question in garnishment proceedings is whether the property sought to be reached belongs to the defendant. Plaintiff's right in this regard cannot rise higher than defendant's, in the absence of fraud or estoppal."—28 Corpus Juris 96.

Quite apart from any considerations of fraud which might give the plaintiff a better right to recover the fund than defendant, it seems clear to the Court that the defendant is the only person who could demand the deposit from the garnishee as a matter of law and right, and to this right the plaintiff succeeds by virtue of his garnishment. The fund was not only deposited for Grant Mark's benefit but the Court finds it was deposited by him. He was asked by Speelman to put up the money and he did so in the furtive and circuituous fashion which has been recited. Where he got the money is of no concern to the Court or to the plaintiff. The simple facts are that Grant Mark's own $50,000 was paid out by the Company on his order but that half of it was returned on the demand of the Company to be held as an indemnity fund. That it may have passed through British hands in making the trip out and back does not, in the absence of any other showing in Court, invest it with a British title or interest which could prevent this Court from dealing with it.

Even if we should assume the original source of the money was Mrs. Mark, the Court has neither the evidentiary basis nor the jurisdiction of her person to enable it to determine the kind or extent of title she may have intended either to give or retain in the fund. In passing, the Court can discover no principle of law which would fasten a continuing title or lien in her at all events, regardless of the migrations of the money. However, these are irrelevant and fruitless speculations which the Court does not presume to adjudicate.

The Court believes there are but two questions to be answered here: First, could Grant Mark himself recover the deposit from the Company had it not been garnisheed; and the second, does the mere suggestion of a British interest in the deposit without claim or proof or record indication of the same, defeat the jurisdiction of this Court to deal with the fund? In the opinion of the Court the answer to the first question is yes and the answer to the second question is no.

Under provisions of Section 143 of Title 24 of District of Columbia Code, judgment will be rendered for plaintiff against garnishee for the amount of his judgment against defendant with interest and costs, less a reasonable attorney's fee for garnishee's attorney to be fixed by the Court, which may be retained by the garnishee from the fund in its possession.

FIRST SPECIAL COURT

$100-Fine on Dog Owner

Michael Delbuch, a Russian shopkeeper, whose dog attacked and bit Miss V. S. Cowper as she was making purchases at a provision store, 396 North Soochow Road, on June 8, was found guilty on a charge of criminal negligence preferred by the S. M. Police and was fined $100 by the First Special District Court on Thursday morning. Mr. Delbuch said he would appeal against the decision.

Mr. T. S. Lea, Assistant Municipal Advocate, outlining the case on Tuesday, June 18, stated that the complainant, Miss Cowper, reported to the Police that she was at 396 North Soochow Road, a provision store, on June 8 on legitimate business when she was attacked and bitten by the accused's dog. The complainant was first treated at the General Hospital and then by Dr. W. H. Gardiner. The accused admitted the dog was his and the dog was later examined by the Health Department.

Miss Cowper is not the only person who has been attacked by the accused's dog. Mr. Lea told the Court that on January 30 this year, a Miss J. P. Kochlar, residing in the Embankment Building, was attacked by the same dog and on May 25, the animal bit Wong Ah-vung, a Chinese girl. The accused, questioned by the Police, said that he had kept the dog under proper control, but the animal was later set free by a servant who did not have it muzzled.

Thursday's hearing commenced with the Judge questioning the accused why he had not muzzled his dog after receiving repeated warnings from the Police. The Judge further asked how long the accused had been in possession of the dog and what kind of dog it was.

The accused stated that he had had the dog for the past six months and it was a watch-dog. The accused denied having received repeated warnings from the Police and said he was warned only once and that, on that account, he planned to sell the dog. As to why he had not had his dog muzzled, the accused stated that was because he had kept his dog in a special hut in which the animal was tied up. If he had muzzled his dog and kept it in the small hut, it would have driven the animal mad.

The Judge said he had never heard that a muzzled dog would become mad.

The accused then said that his dog attacked the complainant only after the latter had raised her arm. This statement was denied by the complainant who, in reply to the Judge, said that she did not see the dog when it first attacked her from behind.

The question of responsibility for the trouble was then dealt with by Mr. T. S. Lea, Assistant Municipal Advocate, who said that the fact that the complainant had been attacked and bitten by the accused's dog was not disputed, so the question was who should be held responsible. That his dog was a fierce one was well-known to the accused who had stated that he had chained it up. The Police, Mr. Lea continued, had given the accused repeated warnings to muzzle his dog, but the accused had failed to comply and furthermore had allowed a fierce dog to enter a store where many customers made purchases daily. The accused should have taken every precaution, but he had been negligent in this respect. Therefore he should be held responsible, Mr. Lea concluded.

Defending the accused, Mr. Ngai Tcheng-lin, of the law firm of M. Paul Premet, argued that his client was not in the store when his dog attacked the complainant and that he should not be held responsible for the trouble because another man had released the dog without his permission. As most, his client was responsible under civil law, counsel said.

Judgment Against Native Bank

Judgment in the sum of $15,672.06 was awarded the Yu Tsin bank in its action against the Yung Sing native bank in the First Special District Court last Wednesday. The defendant institution closed on April 21. The court ordered that if it could not meet the payment, the shareholders should be held responsible for the settlement of this obligation. A written judgment is to be given shortly.

The plaintiff bank was represented by Mr. Chang Teh-chin, while Mr. Hsu Tsu-yen appeared for the defence. According to Mr. Hsu Pao-ling, manager of the Shanghai branch of the plaintiff institution which has its headquarters in Tientsin, the defendant bank sent a canvasser to him and persuaded him to open an account with the defendant bank. No sooner had the plaintiff deposited the above sum with the native bank than it closed its doors.

Another action has also been heard in the same court against the same native bank by the Sin Wen Hwa Publishing Company for the payment of a deposit of $24,600. Dr. D. S. Chen, who represented the plaintiff firm, urged the Court to act on one of the regulations of the Ministry of Finance to the effect that the heads of native banks which have closed should be held responsible for the payment of debts. Judgment is expected to be delivered in a few days.

Morphine Case Sentences

Heavy sentences were imposed by the First Special District Court on Friday upon seven of the thirteen men arrested recently by Sinza officers for operating in the Foong Chong Rice Shop, Tiendong Road, a large morphine plant.

Huang Pao-san, leader of the gang, was sentenced to five years' imprisonment and further fined $2,000. Another prisoner by the name of Zau Chi was gaoled for eighteen months and further fined $1,000. Three others, whose names were Li Chi-tsing, Yeh Teh-foong, and Huang Tien-cheng, each got fourteen months, while a sentence of one year's imprisonment was passed on Tsiang King-ta and Lu Yung-sen. The remaining six prisoners were found not guilty.

The plant was discovered at the end of last month following the seizure on Thibet Road of several sacks used to contain rice. Opened by the police, these sacks were found to contain no rice, but opium substitutes. A man arrested with the bags told the officers that he had taken them from the Tiendong Road Rice Shop. A visit paid by the officers to that shop resulted in the seizure of a large quantity of narcotics and apparatus for their manufacture, all of which were confiscated by the District Court.

Accused of offering a bribe in the Municipal Administration Building to a foreign inspector of the Council's Health Department, Hyui Yue-san, owner of a restaurant at No. 5 Kiangsi Road, was sentenced to one month's imprisonment by the First Special District Court on Friday. The sentence was suspended for two years.

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FOREIGN TELEGRAMS

ANGLO-GERMAN NAVAL ACCORD DEFENDED

Grave British Responsibility if Reich Offer Were Refused: Starting Point for Future Limitation

FEARS OF ARMAMENTS RACE REMOVED

London, June 20.

CHANCELLOR Hitler recognizes the naval responsibility of Great Britain and has shown that the Reich will limit the German fleet to a figure 65 per cent. below our own," said Sir Bolton Eyres-Monsell, First Lord of the Admiralty, in a radio broadcast address yesterday on the subject of the new Anglo-German naval agreement.

"The Admiralty considers that had the Reich's offer been refused, Great Britain would have incurred a very grave responsibility. They are convinced, that, in making this agreement, with Germany, we have done something which will be to the advantage, not only of Great Britain, but to all countries, something which may go far to promote peaceful relations throughout the world.

"The government are most anxious to bring about a new treaty for general naval limitation, and have been striving for months towards that goal. Difficulties of making such a treaty are enormous. It is rather like trying to put together the pieces of a puzzle, in which, up to now, it has proved impossible to fit two important bits together. We believe that the good beginning we have made to-day will make it easier to fit together the remaining pieces of this complex problem.

"The German Chancellor's speech of May 21, in which he stated Germany's intention to limit herself voluntarily to a naval strength equalling 35 per cent. of that of the members of the British Commonwealth, presented a definite and concrete starting point for future naval limitation. We considered it imperative to discuss the proposal as soon as possible in order to ascertain its full implication and exact meaning. We considered that the conclusion of the proposal was a contribution of the greatest importance to future naval limitation and that it would facilitate a general agreement. We therefore accepted it."

Sir Bolton went on to say that, by this agreement, the world had been rid of the fear of a new armaments race as far as Germany is concerned.

"Germany is in agreement that submarines should be abolished," he continued, "but some foreign countries are not yet of the same mind. If Germany is to have equality of status with all powers, she must clearly have the right to build submarines. In the same way, since other countries have the right to parity with us in this category, Germany must have a similar right"—Havas.

Anglo-German Naval Agreement

London, June 19.

An agreement reached as a result of the Anglo-German naval conversations, undertaken with the primary purpose of preparing the way for a general conference on the limitation of naval armaments, is embodied in an exchange of notes between the two governments, now published as a White Paper.

The note of the Foreign Secretary, Sir Samuel Hoare, and the reply of Gen. Joachim von Ribbentrop, bear to-day's date, and were exchanged at a full meeting of both delegations. Sir Samuel Hoare's communication announces formal acceptance by the British Government of the proposal of the German Government that the future strength of the German Navy, in relation to the aggregate naval strength of members of the British Commonwealth of Nations, should be in the proportion of 35 to 100, and adds:

"His Majesty's Government regard this proposal as a contribution of the greatest importance to the cause of future naval limitation. They further believe the agreement now reached, which they regard as a permanent and definite agreement, as from to-day, between two governments, will facilitate the conclusion of a general agreement on the subject of naval limitation between all the naval Powers of the world."

35 Per Cent. Ratio Permanent

Continuing, the Note says that H.M. Government also agree with the explanations furnished by the German representative as to the method of application of this principle, and proceeds to summarize these explanations, as follows:—

1.—The ratio of 35 to 100 is to be a permanent relationship.

2.—If any future general treaty of naval limitation should not adopt the method of limitation by agreed ratios, the German Government will not insist on incorporation of the above ratio in any future general treaty, provided the method therein adopted for future limitation is such as to give Germany full guarantees that this ratio can be maintained.

3.—Germany will adhere to the ratio of 35 to 100 in all circumstances. For example, the ratio will not be affected by the construction of other powers. If the general equilibrium of naval armaments, as normally maintained in the past, should be violently upset by any abnormal and exceptional construction by other Powers, the German Government reserve the right to invite H.M. Government, to examine the new situation thus created.

4.—The German Government subject to the exception below, are in principle prepared to apply the 35 per cent. ratio to the tonnage of each category of vessel to be maintained, any variation of the ratio in a particular category or categories being dependent on arrangements to this end arrived at in any future general treaty, such arrangements being based on the principle that any increase in one category would be compensated for by a corresponding reduction in others. If no general treaty is concluded, or if the future general treaty does not contain a provision creating limitation by categories, the manner and degree in which the German Government would have the right to vary the ratio in one or more categories would be a matter for settlement by agreement between the two governments in the light of the naval situation then existing.

Submarines Allowed

5.—If and for so long as the other important naval Powers retain a single category for cruisers and destroyers, Germany shall enjoy the right to have a single category, although she would prefer these classes in two categories.

6.—In the matter of submarines, however, Germany, while not exceeding the ratio of 35 to 100 in respect of total tonnage, shall have the right to possess submarine tonnage equal to the total submarine tonnage possessed by members of the British Commonwealth of nations. The Reich Government undertake, however, that Germany's submarine tonnage shall not exceed 45 per cent. except in the event of a situation arising which, in its opinion, makes it necessary for her to avail herself of the right to a percentage exceeding 45, in which case the German Government reserve the right to give notice to H.M. Government and agree that the matter shall be the subject of friendly discussion before the German Government exercise that right.

7.—It has been agreed that the two governments will settle, by common accord, what adjustments are necessary in the allocation of tonnage within categories, it being understood that this procedure shall not result in any substantial or permanent departure from the ratio of 35 to 100 in respect of total strengths.

Reich Envoy's Hopes

Concluding, Sir Samuel Hoare remarks that, with reference to the reservation in the third clause, H.M. Government recognize the right therein set out, on the understanding that the 35 to 100 ratio will be maintained in default of an agreement to the contrary between the two governments.

Gen. von Ribbentrop's reply confirms the terms of the agreement, and adds that the German Government are also of the opinion that the accord will facilitate the conclusion of a general agreement between all the naval Powers.

In expressing pleasure at Britain's acceptance of these terms, Gen. von Ribbentrop declares that the agreement is a permanent and definite one, effective immediately.—Wireless and Reuter.

Further Commons Statement

London, June 21.

The reasons that impelled Great Britain to reach the naval agreement with Germany were presented to the House of Commons to-day by the First Lord of the Admiralty, Sir Bolton Eyres-Monsell.

He said that Britain, at the outset of the conversations, agreed to accept Herr Adolf Hitler's proposal that the ratio between the British and German fleets should be established definitely and for all time in a proportion of 100 to 35.

The Government decided that this was not only in the interests of the future relations between the two countries, but also meant the facilitating of the ultimate conclusion of a general treaty for the future limitation of naval armaments.

They also regarded it as of great importance, Sir Bolton proceeded, since it held out the possibility of averting for all time the threat of naval rivalry between Germany and Britain, which, once begun, would necessarily affect the interests of all members of the British Commonwealth of nations.

Definitely Favourable to All

The agreement must also definitely be favourable to the naval interests of other Powers.

Concerning the suggestion that an agreement should not have been entered into, Sir Bolton said:—

"We have to face the facts." (Cheers). "We have to deal with an essential practical problem. Germany was already constructing a fleet outside the limits laid down in the Versailles Treaty. What we have done is, by agreement with Germany, to circumscribe the effect which might flow from Germany's unilateral decision.

"We believe that this will be in the ultimate interests of all the naval Powers of the world, and we are satisfied that we should have committed a serious error if we had even unduly hesitated to accept Germany's offer."

Continuing, the First Lord said that the Government had never been able to accept the view that Britain was not entitled to deal with the question of naval limitation independently of the question of land and air disarmament. Naval limitation treaties had existed for many years, and it would be a grave misfortune if a further treaty could not be negotiated to replace existing ones.

H.M. Govt. Not to Relax Efforts

That did not mean, Sir Bolton declared, that if, in the future, a general treaty on naval limitation were concluded, H.M. Government would in any way relax their efforts to secure an agreement on land and air armaments.

On the contrary, the Government regarded the prevention of international competition in all three categories of armaments as a matter of the most urgent importance.

In reply to a question, the First Lord said that the Government would continue conversations with other naval countries, but he did not know when it was possible to have a full meeting of all the signatories of the naval treaty.

The Prime Minister, Mr. Stanley Baldwin, answering supplementary questions concerning the desirability of a debate on the agreement, suggested that Mr. George Lansbury, leader of the Labour opposition, should arrange for a discussion when the salary of the First Lord came up for review.

General Navy Treaty Aimed At

London, June 20.

Asked whether the Anglo-German naval construction agreement fixing Germany's naval strength at 35 per cent. of the British navy was an indication of the British Government's intention to arrange bilateral agreements with other states on the regulation of armaments, the Prime Minister, Mr. Stanley Baldwin, replied:

"As stated in the first paragraph of the Note which the Foreign Secretary addressed to Herr von Ribbentropp on June 18, the primary purpose of the conversations with the representatives of the German Government was to prepare the way for the holding of a general conference on the subject of limitation of naval armaments.

An agreement has been reached furnishing a fixed point of departure for further discussion with the other Powers, and does not alter the final object to the discussion, namely the ultimate conclusion of a general naval treaty."

The Anglo-German naval talks were continued at the Admiralty to-day and are expected to be concluded on Saturday, in which case the German delegation will return to Berlin on Sunday.—Wireless through Reuter.

Paris Talks End

Paris, June 22.

The Franco-British negotiations conducted here between M. Laval and Mr. Eden were brought to a close this afternoon and will be resumed on Mr. Eden's return journey from Rome, whither he is now proceeding for a conference with Signor Mussolini.

"We have discussed the European problems posed by the present international situation and examined, in the spirit of our joint declaration of Feb. 2, the form to be given our co-operation," M. Laval declared in a statement issued after the conclusion of his talks with Mr. Eden.

"It appeared necessary," he went on "to find practical means of solving all the questions, discussed at the Anglo-German parleys in London, that concerned not only the two negotiating powers but other European countries as well."

In conclusion, M. aval affirmed that the French and British Government remained faithful to their policy aiming at the organization of collective security.—Havas.

BRITAIN SENDS A MESSAGE TO JAPAN

London, June 19.

An assertion that Great Britain regarded a proper understanding and collaboration with Japan as essential not only to the stability of Asia but to the prosperity of the whole world was made by the Foreign Secretary, Sir Samuel Hoare, at a dinner given by the Japan Society to-night in honour of the Japanese Ambassador and Mrs. T. Matsudaira, who are returning to Tokyo shortly.

Sir Samuel said he wanted Mr. and Mrs. Matsudaira, when they returned to Japan, to take back a message from the English people, and say:

"We are very conscious of the fact that we have many things that matter most in the world in common.

"We, both great island Powers, still have the inestimable blessing of a hereditary monarch.

"We are two very enterprising races, rightly determined to leave our mark in the history of the world. Sometimes difficulties may arise, but let us discuss them as friends anxious to understand each other's point of view.

"Relations between Great Britain and Japan have not been entirely free of disturbing factors in recent times. I will only mention a recent report we received from North China, and will only mention difficulties that are bound to arise from time to time between two powerful industrial countries trading over the face of the world.

"I hope their Excellencies will tell the Japanese that there are many men and women in England who wish to see these difficulties removed, just as we are sure there are many men and women in Japan who wish to see them removed.

"We in England regard a proper understanding and collaboration between our two countries as essential not only to the stability of Asia but to the prosperity of the whole world."

Mr. Matsudaira, replying, said that the friendship between Great Britain and Japan had stood the test of time and was firmly established now as traditional. Several problems in the last few years had tended to produce misunderstanding and mischief, but there was no problem, however difficult, which could not be solved, sooner or later, with goodwill and candour on both sides.

It was regrettable that unrest existed not only in the Far East but throughout the world, and strong efforts were required, more than ever, to dispel the misunderstanding between nations. This object could not be obtained by diplomatic and official efforts only. Direct contact between nations was also necessary.

Mr. Matsudaira alluded to the fact that the Society for International Cultural Relations had arranged for a professor to visit England to lecture on Japanese art. He was convinced that good understanding and friendship between the two nations was most important for peace in the Far East, "for which we must continue to make whole-hearted efforts."

Mr. Stanley Bruce, High Commissioner for Australia in London, who was at one time Prime Minister of the Commonwealth, declared that the area in which the greatest problems of the world would probably arise in the future was the Pacific. It was imperative that a very happy understanding and most cordial relations should exist between Japan and England.—Reuter.

FRANCO-GERMAN AIR ACCORD

Berlin, June 22.

To eliminate competition, the German Lufthansa Co. and Air France, the French line, have agreed to run a mail service twice a week between Europe and South America.

The dirigible Graf Zeppelin, which for several years has been conducting a regular commercial air service between Germany and Brazil, will not carry mails in future, but will confine its fortnightly service to the transportation of passengers, freight, newspapers and parcels.—Reuter.

MLLE. HILZ'S RECORD SHATTERED

Rome, June 21.

A new world's altitude record for women was set to-day by the Marquesa Carina Negrone, an Italian aviatrix, who climbed to a height of 39,500 ft., about 7½ miles.

The previous record, 36,600 ft., was held by the French air-woman, Mlle. Maryse Hilz, who attained that altitude only four days ago.

The Marquesa improved this record by 2,940 ft., just 200 ft. more than half a mile.—Reuter.

GEN. CALLES LEAVES FOR UNKNOWN DESTINATION

Mexico City, June 18.

Gen. Plutarco Elias Calles, former President of Mexico, left Mexico City to-day by aeroplane. His destination was not announced but it is presumed that his departure signifies his permanent retirement from Mexican politics.—United Press.

MR. BALDWIN DEFENDS HIS NEW CABINET

London, June 17.

The House of Commons gave a cordial welcome to the new Ministers on the re-assembly of Parliament to-day after the Whitsun recess.

The former Prime Minister, Mr. Ramsay MacDonald, who is now Lord President of the Council, relaxed for the first time in six years, sitting reposefully on the Treasury bench, his eyes half closed. He had changed seats with his successor, Mr. Stanley Baldwin, who sat in the middle, with Mr. MacDonald beside him.

The leader of the Labour Opposition, Mr. George Lansbury, twitted Mr. Baldwin on the duties of the new Ministers without portfolio (Mr. Anthony Eden and Lord Eustace Percy) and on the duties of the new Lord President of the Council.

Mr. Baldwin replied that Mr. Eden's appointment as Minister without portfolio for League of Nations affairs would materially strengthen Britain's contribution to world peace, while, in the case of Lord Eustace Percy, it was advantageous to have Ministers who could concentrate on policy without having departmental responsibilities.

Of all the offices he had held, Mr. Baldwin continued, he had never had more work at less pay than he had had as Lord President of the Council (the position now held by Mr. MacDonald).

The House then settled down to routine business. Sir Herbert Samuel, leader of the "Samuel Liberals," asked what progress had been made towards a European air pact.

The new Foreign Secretary, Sir Samuel Hoare, replied that the Government was giving the matter very careful consideration, fully realizing its extreme urgency. Various questions, both of principle and procedure, were involved, and inevitably required interchanges between the Powers concerned. In the circumstances, he thought it would be better not to enter into further details.

The new Secretary of State for Air, Sir Philip Cunliffe-Lister, then dealt with the steps that would be taken to prevent profiteering during the expansion of the Royal Air Force.

He announced that the Air Ministry had established comprehensive machinery involving consultation with the Treasury. This covered the whole range of the contracts involved and provided for the control of prices. The Ministry intended to ensure that no one received excessive profits.

The present situation in China was the subject of a brief statement by the Foreign Secretary, whose statement appeared in these columns yesterday.—Reuter.

Junior Ministers Appointed

London, June 18.

The first appointments of junior Ministers in the new British Government were announced to-day.

Captain H. F. C. Crookshank becomes Secretary of the Department of Mines in succession to Mr. Alfred Ernest Brown, while Mr. R. S. Hudson becomes Minister of Pensions in succession to Major George Tryon.—Reuter.

GERMAN WAR VETERANS IN ENGLAND

London, June 20.

The first organized party of German ex-servicemen to visit England since the Great War, arrived in Dover to-day and were given a warm welcome there by representatives of the British Legion.

They will attend a rally of the Brighton branch of the British Legion.

Their leader, interviewed by pressmen, said that although the Germans were opposed to Britain during the Great War, they are glad to grasp the hand of friendship at the gateway to England.

The visit of the German ex-servicemen follows the recent appeal of the Prince of Wales for the burial of the war hatchet, a suggestion heartily endorsed in both countries.—Reuter.

TITLED FLIERS CRASH AT TAKE-OFF

New York, June 22.

Two brothers Marquis George and Count Alfred Monteverde, Portuguese airmen, crashed to-day when taking off from Floyd Bennett field in an attempt to make a non-stop flight to Rome.

Both airmen, fortunately, escaped with only a shaking up.

Their big Bellanca machine, with 690 gallons of petrol on board, flopped down after rising only a few feet and crashed into a sand heap on the main road on the edge of the aerodrome.

Count Alfred who was piloting, switched off the ignition and prevented the machine from catching fire.—Reuter.

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GREAT BRITAIN AND HER COLONIES

London, June 20.

Mr. J. H. Thomas, Secretary of State for the Dominions, speaking in the House of Commons this evening, when the Dominions Office vote was taken, said that the Statute of Westminster created an entirely new situation in the relationship between the Mother Country and the Dominions. In short, each Dominion has absolute freedom to determine its own development.

The recent Jubilee celebration was in itself the best indication of the family spirit and the sense of unity of the British Empire. The presence in London of so many representative Dominions statesmen gave them an opportunity to discuss the whole situation concerning imperial and foreign policy.

In their discussions on foreign affairs and imperial defence, no attempt was made to ask any Prime Minister to bind his Government. All the Dominions sympathized with the policy of the British Government and declared that it must continue its efforts for peace, bearing always in mind the value of the League of Nations as an effective instrument to that end.

On the question of defence, Mr. Thomas, said the Dominions, without a solitary exception, agreed that, in view of the present state of inadequacy, which had afisen as the result of Britain's effort to set an example to the world in armaments reduction, it was an essential duty to the people of Britain and in the Empire to see, that the steps to repair national defences already announced, should be undertaken.

Dealing with the Imperial economic position, Mr. Thomas said the United Kingdom delegation at the Ottawa Conference had stated they must retain the right, first to consider the interests of the people in Britain; secondly, they wish to encourage and develop all parts of the Empire by giving preference; and thirdly, and by no means last in importance, they must not be unmindful of the vital importance of their export trade with foreign countries.

An indication of the stimulant to Imperial trade provided by Ottawa's decisions, Mr. Thomas said that Canada in 1932 exported to the United Kingdom, goods and produce worth £43,000,000 and in 1934 £50,500,000 an increase of 17 per cent.

Australia in 1932, sent £46,000,000 worth of goods and produce, and in 1934 £50,000,000 worth, an increase of 8.7 per cent.

New Zealand sent £37,000,000 worth in 1932, and £40,500,000 in 1934, an increase of nine per cent.

The United Kingdom exported to Canada in 1932, £17,500,000 worth of goods, and, in 1934, £21,000,000 worth, an increase of 20 per cent. To Australia in 1932, £20,500,000; in 1934, £27,000,000. To New Zealand in 1932, £10,500,000; in 1934, £11,500,000.

The figures for South Africa were even more significant. The United Kingdom exports in 1932 were £18,500,000; and, in 1934, they had risen to £31,000,000.

Mr. Thomas claimed that these figures were a complete justification of the Ottawa policy. It was such justification that, without exception, every Dominion that was a party to the Ottawa Agreements could at the present moment show a budget surplus and a certain tendency towards prosperity.—Wireless through Reuter.

45 YEARS FOR KIDNAPPER OF LUMBER KING'S SON

Tacoma, Wash., June 21.

Herman Waley was to-day found guilty of kidnapping George, nine-year-old son of Mr. J. P. Weyerhaeuser, the multi-millionaire lumber king, and was sentenced to 45 years' imprisonment.

Waley and his young wife pleaded guilty to charges of kidnapping and extortion in connection with the abduction of the boy.

The Judge, however, refused to accept the woman's plea after her husband declared she had entered into the crime blindly and did not know that the house she had rented at Spokane was for the purpose of concealing young George Weyerhaeuser.

The couple were arrested on June 10, after the boy, who had been in captivity for nine days, was freed on payment of a ransom of $200,000, of which $116,000 has since been recovered.

The Waleys implicated a blacksmith named George Mahon in the crime, but, despite a nation-wide search, no trace of him has been found. It is believed that he has the balance of the ransom money with him, or that he has buried it.—Reuter.

Tacoma, Wash., June 21.

Department of Justice operatives are still attempting to arrest Mahon, who is alleged to have been the master-mind in the kidnapping.—United Press.

GERMAN SAVANT REMOVED FROM POST BY REICH

SPECIAL TO THE "N.-C. HERALD"

Berlin, June 22.

Dr. Karl Barth, Professor of Theology in Bonn University, who as a member of the Confessional Movement refused to give an unconditional oath of allegiance to Herr Hitler, was placed to-day on the retired list by the Nazi Reich Minister of Education.

The Professor explained in an interview subsequently that he had no objection to an oath of allegiance to the Reichführer, but that he objected to a formula putting his duty to Herr Hitler before God.—Reuter.

Nazis Free More Pastors

SPECIAL TO THE "N.-C. HERALD"

Berlin, June 21.

Twelve more Evangelical pastors were released to-day from concentration camps and prisons at Sachsenburg.

With several others, they had been convicted by order of the Nazi Governor of Saxony, but some were released early this month by the Reich Minister of Interior, presumably as a result of numerous petitions from the Confessional Movement.

Twenty-five pastors are still forbidden to preach, while ten have been banished from their parishes.—Reuter.

SS. USWORTH OWNERS EXONERATED

London, June 18.

The master of the ss. Usworth did everything he could to save the vessel, declared Lord Merrivale, the Wreck Commissioner, to-day in promulgating the findings of the inquiry into the loss of the 3,525-ton Newcastle steamer, which foundered in the North Altantic on December 14 last year with the loss of fifteen lives.

The inquiry also found that the owners complied with the statutory regulations.

Lord Merrivale paid a high tribute to the masters and crews of the two ships—the Belgian steamer, Jean Jadot, which lost two of her crew while engaged in rescue work, and the Ascania—which answered the Usworth's distress signals.

He said that one could not fail to be impressed with the sense of devotion and the fellowship of the sea which kept the masters and crews of those two vessels as near as possible to the Usworth, which was then in a most dangerous position.

The loss of the Usworth, he added, was due to the failure of the steering gear, which was of a kind involving special risks. Whether this type of steering gear ought to remain for ocean-going vessels seems to call for full consideration with the help of expert witnesses.

Regarding manning, it was the unanimous opinion of the assessors, with whom Lord Merrivale concurred, that with safety of life and well-being as the dominant considerations, the Usworth should have had three mates besides the Master.—Reuter.

PRESIDENT ROOSEVELT URGES TAX INCREASE

Washington, June 19.

President Roosevelt to-day called on Congress to impose heavier taxes on individuals and corporations of great wealth. In a special message to Congress, he made a three-point recommendation for changes in the existing tax laws.

The purpose of the changes, he said, was to reduce the national debt, lighten the burden of the average taxpayer and achieve a wider distribution of wealth, thus checking social unrest.

His recommendations were:—

1.—Inheritance and gift taxes on large bequests and gifts to be increased.

2.—Taxes on the larger personal incomes to be boosted.

3.—Imposition of a graduated income tax on net corporate income starting at 10¾ per cent. and running up to 16¾ per cent., in place of the present flat rate of 13¾ per cent.—United Press.

President's Plan Praised

Washington, June 19.

Most Democrats and some Republicans praise in the highest terms, President Roosevelt's proposals for revised income tax. Those in the minority, however, assert that recovery will be further retarded by the carrying out of the President's proposals.

Senator Huey Long, of Louisiana, declared:" I have no faith in his promises, but if he should actually bust up every big fortune, we should be out of the depression in 24 hours."—Reuter.

ABYSSINIA DENIES WAR MOBILIZATION

Addis Ababa, June 23.

The Abyssinian government strongly denies the current reports in the press abroad of the mobilization of its forces and preparations for war. Official circles here remind Europe that Ethiopia has on the contrary requested the League of Nations to send a delegation of special neutral experts to examine the situation.

At the same time, the government denies all knowledge of the Italian doctor, Dr. Agtano, who, claiming to have been for twelve years the court physician to Emperor Haille Selassie, has given out an interview to the press on the subject of slavery in Ethiopia. The doctor is entirely unknown in Abyssinia, according to these reports, as well to the court as to the government.

It has been learned from Rome in the meantime, that the Abyssinian Foreign Minister, Mr. Blatenghieta Haeruy, called officially at the Italian Legation in Addis Ababa to present his government's apologies for the incident provoked by the Abyssinian airman who recently tore up the flag on the motor car belonging to the First Secretary of the Italian Legation. He stated that inquiries into the matter had been opened and that the guilty aviator was being kept under arrest.—Havas.

France Solemnizes First Air Wedding

SPECIAL TO THE "N.-C. HERALD"

Paris, June 19.

The first air wedding ever to be solemnized in France took place to-day over the aerodrome at Toussus le Noble.

The ecclesiastical authorities gave special dispensation and, after a civil ceremony and an open-air mass, the couple concerned entered the plane with an abbe, who united them above the aerodrome.

Five other machines containing guests escorted the bridal 'plane.—Reuter.

BIG VOTE FOR INDIA BILL

SPECIAL TO THE "N.-C. HERALD"

London, June 20.

The wonted percidity of the House of Lords was strikingly absent when the chamber voted on the second reading of the Government of India Bill to-day.

The House was crowded, and peers and commoners mingled together around the throne.

Eighteen out of the 24 bishops who have seats in the House were present. All of them, with the exception of the Bishop of Exeter (Lord William Gascoyne-Cecil, a brother of Lord Salisbury), who, during the debate, denounced democracy, voted for the Government.

The voting was 236 in favour to 50 against.—Reuter.

London, June 21.

Lord Lloyd's amendment on the suppression of clauses regarding the establishment of the federal system was rejected during the discussion.—Havas.

REICH FINANCES IN SAD PLIGHT

Berlin, June 21.

The sorry state of Germany's financial condition is strikingly revealed in the balance-sheet for the year ending March 31, published to-day.

The statement shows a deficit of 414,000,000 marks, less a sum of 60,000,000 marks which fall to the Reich from various transactions, making the actual deficit 354,000,000 marks.

With the deficit carried forward from the years 1930 to 1933, the Reich's total deficit now is 2,464,000,000 marks.

Both revenue, at 7,806,000,000 marks and expenditure, at 8,220,000,000 marks exceeded the estimate for 1934.

Revenue was 1,348,000,000 marks in excess of the estimate, and expenditure 1,762,000,000 marks higher.—Reuter.

MID-WEST FLOODS CLAIM 175 LIVES

New York, June 19.

The Middle West, which suffered heavily recently owing to floods and tornadoes, has been flooded again as a result of heavy rains.

Unofficial estimates put the death roll due to the latest inundation at 175, including 106 in Nebraska.

Damage to property is estimated at $26,000,000 in the affected area, which embraces Nebraska, Texas, Oklahoma, Colorado, Wyoming and New Mexico.

The flood waters are now receding.—Reuter.

OBITUARY

Mrs. Harriet Squires

New York, June 19.

The death occurred to-day of Mrs. Harriet Squires, wife of Mr. Herbert Squires, former U. S. Minister to Cuba.

Mr. and Mrs. Squires were residents of Peiping during the Boxer uprising, deceased assisted during the siege of the British Legation by caring for the children and nursing the sick.—Reuter.

The Earl of Devon

SPECIAL TO THE "N.-C. HERALD"

London, June 19.

The Earl of Devon, who succeeded to the title only four months ago, on the death of his brother, died to-day at the age of 60.

The Earl, who was the 16th holder of the title, was Rector of Honiton, his brother also having been a clergyman. He was the owner of 10,000 acres of land.

Deceased, who was Mayor of Honiton since 1929, married Marguerite, daughter of the late John Silva, of Itchen Abbas, Hants, in 1907. His son, the Hon. Charles Christopher Courtenay, born in 1916, succeeds to the title.—Reuter.

Viscountess Pirrie

SPECIAL TO THE "N.-C. HERALD"

London, June 19.

The death has occurred of Viscountess Pirrie, one of Britain's leading businesswomen.

Viscountess Pirrie was appointed president of Messrs. Harland & Wolff, the well-known firm of shipbuilders in Belfast, on the death of her husband, the first and only Viscount Pirrie, at sea in 1924. She was also president of the Royal Victoria Hospital at Belfast and first lady honorary life member of the Belfast Chamber of Commerce.—Reuter.

Sir William Lingard Goulding, Bt.

London, June 20.

The death occurred here to-day of Sir William Lingard Goulding, Bt. Governor of the Bank of Ireland, chairman of the Great Northern Railway Co., a director of Metropolitan Vickers Electrical Co., and a director of the North British and Mercantile Insurance Co. His heir, William Basil Goulding, was born in 1909.—United Press.

Lord Headley

London, June 22.

The death occurred here to-day, at the age of 80, of the Moslem peer, Baron Headley.

He was twice awarded the Bessemer Premium of the Society of Engineers, London, while, in 1902 and 1903, he was presented with the silver medals of the Institution of Civil Engineers of Ireland. In 1906, he was appointed engineer to Arklow Harbour Commissioners.

Lord Headley became an adherent of the Moslem faith in 1913 and subsequently was appointed president of the British Muslim Society. He made a pilgrimage to Mecca in 1923.—Reuter.

Gen. Edouard Fischer

Vienna, June 22.

One of the outstanding figures of the early days of the World War, Gen. Edouard Fischer, died here yesterday at the age of 73. At the outbreak of the war, Gen. Fischer was in command of the gendarmerie in the province of Bukovina, then the eastern outpost of the Austro-Hungarian monarchy and now the northernmost province of Rumania. On his own initiative, he organized the resistance against the invading Russian army. With the hastily combined forces of the gendarmerie, militia, policemen, foresters and volunteers, he held the 120 kilometre-wide front for five months against the mass attacks of the Russians. For this distinguished action, Gen. Fischer was awarded the Maria Theresia order.—Trans-Ocean Kuo Min.

AFRICA AND BACK IN A DAY

SPECIAL TO THE "N.-C. HERALD"

London, June 18.

A remarkable flight to Africa and back in one day has been achieved by the aircraft designer, Captain W. E. Percival, in a light aeroplane.

Captain Percival left Croydon at 1.30 this morning for Oran, a distance of 1,400 miles, and arrived there at 8.40 a.m. He re-fuelled and started on his return journey, reaching Croydon at 6.25 this afternoon.

His object was to bring to public notice the advance made in the sphere of small machines no less than in the sphere of huge 'planes.—Reuter.

40-HOUR-WEEK APPROVED IN PRINCIPLE

Geneva, June 20.

A draft convention approving in principle a 40-hour-week was adopted by the International Labour Conference to-day by 81 votes to 33.—Reuter.

Foreign News in Brief

A subterranean city of the 11th and 12th centuries has been discovered at a depth of eight storeys under Vienna.

* * *

Amir Saud, eldest surviving son of King Ibn Saud and heir to the Kingdom of Saudi Arabia, arrived in London on June 17 and was formally welcomed on behalf of the Foreign Secretary, Sir Samuel Hoare.

* * *

The municipal council of the Tyrolean town of Hall, centre of Austrian Legitimist agitation, has voted unanimously to confer the freedom of the city upon all members of the former imperial family of Hapsburg.

* * *

Blinded and choked by smoke, 347 convicts who had launched a campaign of sabotage at the State Prison coal mine in Lansing, Kansas, surrendered on June 18 an hour after ventilating fans in the shafts had been reversed.

* * *

The question of creating a special non-territorial constituency for the Speaker of the House of Commons is likely to be considered at an early Cabinet meeting as a result of the Labour Party's official decision to oppose Mr. E. A. Fitzroy, the present Speaker, at the General Election.

* * *

The Greek Government has accepted a proposal of the People's Party that the remains of King Constantine, who died in exile, should be brought to Greece immediately after the plebiscite on the monarchist issue.—Trans-Ocean Kuo Min.

* * *

The Senate, by 62 to 17, on June 21 voted to seat Senator Rush Dew Holt, of West Virginia, who defeated former Senator Henry D. Hatfield in the November, 1934, elections, but who, because of a Constitutional age limit for Senators, could not be seated until he was 30 years of age. He became 30 on June 19.

* * *

The King has been pleased to appoint Sir Bernard Bourdillon, Governor and Commander-in-Chief of Uganda, to be Governor and Commander-in-Chief of Nigeria, in succession to Sir Donald Cameron, who will retire in the near future and to appoint Mr. P. E. Mitchell, Chief Secretary in the Tanganyika Territory, to succeed Sir Bernard Bourdillon.—Wireless through Reuter.

TROTSKY ALLOWED IN NORWAY

Oslo, June 18.

M. Leon Trotsky, exiled "Napoleon of the Soviet revolution" and organizer of the Red army, who has been living secretly in France, arrived here to-day.

The former Soviet War Commissar, who last year was charged by the right wing press of France with instigating the fatal riots on February 6, 1934, was ordered by the French Government to leave France, but the Government later decided to allow him to remain in France, provided he lived within a restricted area, and pledged his word not to resort to any political activity.

It is understood that M. Trotsky has been authorized by the Norwegian authorities to remain for six months, provided he refrains from political agitation.—United Press.

JUDGE DUELS WITH DEPUTY

Budapest, June 20.

Another in a long series of political duels took place here, when Deputy Zsilinsky met Judge Horvath in a desperate, but happily bloodless, combat, with sabres at a meeting hall in the centre of the capital.

The opponents fought for ten rounds, inflicting some superficial wounds on each other, after which the referee ended the fight by declaring both combatants to be too exhausted to continue. The combatants then parted unreconciled.

Zsilinsky only recently fought a sabre duel with another deputy, with a similar result.—Trans-Ocean Kuo Min.

BALUCHISTAN EARTHQUAKE CLAIMS 40,000

London, June 18.

The total death toll of the earthquake which recently ravaged the Quetta region in Baluchistan, was estimated at 40,000, stated Mr. R. A. Butler, Parliamentary Under-Secretary for India, in the House of Commons yesterday. Between 20,000 and 30,000 people were killed in the city of Quetta alone, he added.—Havas.

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FROM THE FOUR WINDS

CHINA ASSOCIATION ANNUAL MEETING

Earl Winterton Elected President in Succession to Sir Geo. Macdonough: Mr. Bernard as Chairman

FROM OUR OWN CORRESPONDENT

London, May 29.

The Rt. Hon. The Earl Winterton, M.P. was elected President of the China Association in succession to Sir George Macdonogh at the annual meeting held to-day at the offices of the P. & O. Company.

Mr. D. G. M. Bernard, the Chairman, presided at the meeting. In proposing the adoption of the Annual Report and accounts, he said:—

It is very pleasant to show in our statement of receipts and expenditure for 1934 that although the year started with an overdraft of £169.16.3. it ended with a credit balance of £6.6.2. This result was due to compensation paid to us for moving from our old offices in Cannon Street before the expiry of the lease, to contribution received towards the cost of Mr. Gull's passage to the Far East which had not been paid out when the accounts were prepared and finally to increased contributions from members. During the past few years subscriptions have fallen off and although expenditure was reduced it was not found possible to keep our disbursements within our income. In order to put the Association on a sounder financial basis a meeting of our principal financial supporters was held last year. At that meeting a number of members very kindly agreed to increase their subscriptions and our income should now be sufficient to cover the ordinary annual expenditure. I desire to take this opportunity to thank all our subscribers for their kind and welcome support of the Association.

Mr. Gull's Visit Here

Members will have seen from the report that one of our secretaries, Mr. Gull, left early this year on a six months' visit to China and it is due to his absence that the annual report has been delayed in preparation resulting in this meeting being held later than usual. His visit has been under consideration for some time as the Committee have felt that it would be very valuable for him to ascertain on the spot and by personal contact the views held in regard to the various important matters that engage the attention of the Committee. And on the other hand he can explain how these matters are regarded from here.

It has recently been announced that the status of H. M. Legation in China has been raised to that of an Embassy. This is a welcome demonstration of the goodwill of H. M. Government towards the Chinese Government and people and is a recognition of the importance of the mutual interests of the two countries.

British Capital in China

British interests in China are very large and merit the utmost care and attention to conserve them. It is estimated that about £300 millions of British capital is invested in the country. In 1933, imports from the British Empire exceeded those of any other nation. In 1934 the imports from the British Empire amounted to about 25 per cent. of the total imports and were second only to the United States which had a percentage of 26. In 1934 the import of machinery and tools amounted to no less than $59,000,000. Of that sum Great Britain secured 34 per cent.

The British Empire is thus in an excellent position to share in the trade expansion which must follow a more settled and prosperous state of the country. And when it is remembered that China claims 25 per cent. of the population of the world it becomes evident that we can look forward to an immense development in trade.

Chinese Egg Imports

In this connection I must refer to the campaign being carried on lately against the import of Chinese eggs and egg products into this country which has found expression in some papers. Ostensibly the purpose is to protect the public from eating unwholesome and dangerous food, but it is clear that the real object is to exclude these goods in the hopes of improving the market for home produced eggs.

This egg business is of the utmost importance to the trade of this country. In 1934 it constituted 38 per cent. of the total imports of all kinds from China. Moreover the freight on these goods paid to British steamship companies was well over £300,000. If the importation of eggs and egg products were restricted the natural consequence would be that China would retaliate and curtail imports from this country into China, and even to-day the trade balance is very much in our favour. It would be a disaster if this were to occur as we should at once lose our predominant position in what we hope will soon become a rapidly expanding market.

Still the matter must be considered from the health aspect and in this regard I cannot do better than quote the following from an article in the "News Chronicle" of April 30, written by the paper's agricultural correspondent:—

I learn the official pathologists of the Ministry of Health have been making extensive examinations of samples of the liquid eggs, and have reported 'that they are of a satisfactory standard of cleanliness and purity and, as delivered frozen in this country are well within the bacterial standard demanded of "Grade A" milk.' It is doubtful whether any case of disease or food poisoning in this country has been traced to Chinese liquid eggs, neither can any process be defined by which they could conceivably convey illness to human beings.

Commons Statement

It has been suggested that Chinese eggs may be infected because of what the hens might eat. This unfounded assertion was definitely negatived in the House of Commons by the Parliamentary Secretary to the Ministry of Health when he stated that "the simple fact is that the contents of the eggs are not affected by what the hens eat." Had it been otherwise the English farmers whose hens roam about the farmyard must long ago have been brought to book. It has also been suggested that Chinese frozen eggs are unhealthy because they deteriorate after standing when thawed but this also applies to other frozen eggs and frozen meat too. Fortunately the baker, like users of these other articles, knows his frozen egg and how to handle it. Before leaving this subject may I remind you that eggs far from being considered unwholesome in China constitute one of the staple articles of diet for the foreigners living there and I expect we have all eaten thousands.

Financial Crisis

China has lately been experiencing in a grave commercial and financial crisis the effects of the policy adopted by the U.S. Government of buying silver in the international market with the intention of forcing up the price. Protagonists of higher silver originally claimed that by raising the value of silver and consequently China's currency, China would be benefited and enabled to purchase more from abroad. This, however, is obviously a mistake because China's imports are naturally not paid for by silver but by her exports, and silver is merely used to adjust the balances.

It is interesting to record that of the last five years the year 1931 showed both the highest imports and exports. This was the year in which silver was at its lowest. Since that year on a gradually rising silver market both imports and exports have continuously declined.

If by forcing up the price of silver regardless of Chinese protests, America had improved her internal situation, her action could be understood. But the only apparent benefit has been to increase the earnings of a few silver producers, and this at the cost of great distress in China. It would appear, therefore, that the Silver bloc is so powerful in Congress that the administration has to yield to it in order to retain its support in other directions which are considered of vital importance to the nation.

Tungchow Piracy

The piracy of the ss. Tungchow last summer whilst on a voyage from Shanghai to Chefoo was a sharp reminder that the measures so far taken to prevent piracies have not been successful. So long as piracy can be made a profitable venture with very little risk attaching to it, it will continue to be practised and be a constant menace to shipping. From the way these piracies occur from time to time, in spite of grilles to separate passengers, armed guards, careful searches and etc., it is clear that these measures, although hampering the pirates, do not succeed in preventing their activities. Here I may add that often the grilling of ships to meet the ideas of the British authorities tends to make the vessels into death traps in the event of an accident and I doubt if these grilles would always conform with Board of Trade Regulations. The only real remedy for the present deplorable state of affairs is for the Chinese authorities to take such action against the pirates' bases on shore, which are well known to them, as will discourage the inhabitants from taking part in such undertakings or allowing their territory to be used as a base for them.

Residents' Association

A word now about the British Residents Association of China. This organization, which was formed early in 1932, devotes its energies largely to getting questions of importance affecting British interests ventilated in the House of Commons. In this respect a great deal of publicity for "China questions" has been obtained in both Houses of Parliament. Both with my predecessor, the late Mr. Sydney Mayers, and with myself, the London representatives of the B.R.A. have always been in close touch keeping us fully informed of anything important they may have in hand. This close co-operation is as welcome as it is useful, as it will readily be seen that the efforts of the two organizations, while differing in form, are complementary in practice and both are working for the protection and advancement of British interests in China.

Chinese Paintings

Early this year there was a most interesting exhibition of modern Chinese painting at the New Burlington Galleries under the auspices of this Association and the China Society. I hope all members were able to pay a visit to the galleries and enjoy the admirable collection of paintings exhibited. Next winter the Royal Academy is arranging to hold a comprehensive exhibition of Chinese art. This exhibition will be under the patronage of their Majesties the King and Queen, and the President of the Chinese Republic. It will be held under the auspices of the British and Chinese Governments.

The exhibition will illustrate the culture and art of China from early times down to 1800 A.D. The Chinese Government will participate in the exhibition and will allow a large number of historic art treasures from the Peking Palace to be exhibited and these will be supplemented from private collections in Europe and America. This exhibition will enable people to get a clearer grasp of Chinese art and stimulate their interest in things Chinese thereby cementing further the bonds of friendship which have bound the two countries for so many years.

Gen. Chiang Kai-shek Praised

We watch closely developments in China and are glad to be able to record improved order in the country during the past year, and progress made by General Chiang Kai-shek in the last few months in combatting Communism.

He has with him very able men in the Government who are working whole-heartedly for the good of their country. We desire to congratulate them on the measure of success so far achieved and to extend to them eased ⅞ to 35½ and he sellers price our sincere sympathy in having to contend with an unparalleled currency situation in addition to the great problems arising from the world economic crisis.

There being no questions asked the Chairman put the proposal to the meeting which was seconded by Mr. O. J. Barnes and carried unanimously.

Sir George Thanked

Mr. Bernard then proposed the election of the Rt. Hon. Earl Winterton, M. P. as President for the ensuing year. Before doing so he said he would like to refer to the present President, Sir George Macdonogh who had acted for them for several years. In fact longer than the three year period than as laid down to be occupied by the President. During all these years Sir George had done everything possible to forward the interests of the Association. He had been willing at all times to take on any work that was required and had not spared himself at all in that respect.

In thinking of a successor it had been very difficult to find someone who could ably fill the position of President which he had so ably filled in the last four years and more. He wished to thank Sir George on behalf of the Association for so kindly acting as President and helping out through all these years.

To succeed Sir George he desired to propose Lord Winterton. As they knew Lord Winterton was a member of the House of Commons; in fact he had been a member for over 30 years so he was thoroughly familiar with all that part of the work and Mr. Behnard was sure he would be invaluable to them in being able to approach straight away the higher officials of the Government. He was also chairman of the China Sub-Committee of the Foreign Affairs Committee so that for some time he not only had been taking a very keen interest in China but had been able to get a good knowledge of the situation out there and what they required.

Mr. Archibald Rose seconded the proposal which was carried unanimously.

Mr. Bernard as Chairman

Sir George Macdonogh then proposed the election of a Chairman. Sir George said that before proceeding with the proposal for the re-election of Mr. Bernard as chairman, he would like to thank him and also all of them for the very kind and considerate way in which they had treated him during the five years he had had the honour of being president of the Association. He became president when Mr. Dodwell, was chairman. He served during the whole time when the late Mr. Sydney Mayers was chairman and he had now been 1½ years with Mr. Bernard, and nothing had been more pleasant than his relations not merely with the Chairman but with all the members. They had always worked in the greatest harmony and he would always look back with the very greatest pleasure on the five years during which he had occupied the post. He would thank them most sincerely for all their kindness, and for having borne with him for so long.

It was now his pleasure to propose the re-election of Mr. Bernard. As they knew when Mr. Mayers died in such an untimely way in February of last year Mr. Bernard who was then the vice-chairman filled his place. He was elected to the chair at the following annual meeting, and Sir George was quite certain they could not have a better Chairman. He had a great knowledge of China and was always ready to devote that knowledge to the interests of the China Association and to trade in China, and he had the great pleasure of proposing his re-election.

Mr. D. M. Stevens seconded the proposal which was carried unanimously. Mr. Bernard thanked Sir George for the kind but exaggerated way in which he had referred to him. They could be sure he would do what he could to further the interests of the Association.

Mr. M. Wolfers proposed the election of Mr. W. B. Kennett as a vice-chairman and Mr. H. G. Simms as hon. treasurer. He thought the meeting was fully acquainted with the help these gentlemen had for some years given to the Association and he felt sure that it would be of great value to them to have them in the posts in question.

Mr. G. W. Swire seconded the resolution which was carried unanimously.

The chairman said he would like to express his thanks personally to Mr. Kennett for the very great assistance he had given throughout the past year which had been invaluable and also to Mr. Simms for so carefully looking after the accounts and also being able to close with a credit balance which he could assure them was a very valuable and difficult achievement.

Mr. O. M. Green proposed the election of the following members to the General Committee.

Mr. C. J. Barnes, Mr. D. G. M. Bernard, Mr. A. H. Ferguson, Mr. G. E. Hubbard, Mr. W. Kennett, Mr. A. O. Lang, Mr. H. W. Locker; Lt.-Gen. Sir George Macdonogh, Mr. E. F. Mackay, Mr. C. Gordon Mackie, Mr. H. A. J. Macray, Mr. Archibald Rose, Mr. Charles V. Sale; Mr. H. G. Simms, Mr. D. M. Stephens; Sir Thomas Strangman, Mr. G. W. Swire, the Rt. Hon. Earl Winterton, Mr. M. Wolfers, and Mr. P. C. Young.

The proposal was seconded by Mr. by Mr. H. F Carmichael and carried unanimously.

Mr. Green said he would like the meeting to pass a hearty vote of thanks to the chairman and the members of the committee for all the work they had done for them. This was rather a happy moment because of the rising of our Minister in China to the rank of Ambassador which was surely a sign of what we had all been hoping for, for so long, that our Government would take a more active and forward policy in the Far East than it had done for the past five or six years. In promoting that end the Committee had done everything they could and he thought they should thank the Chairman and Committee for all their work.

The Chairman thanked Mr. Green on behalf of the Committee and himself for his kind remarks which were much appreciated.

UNION INSURANCE CELEBRATES

Stand-Up Luncheon in London Offices

FROM OUR OWN CORRESPONDENT

London, May 23.

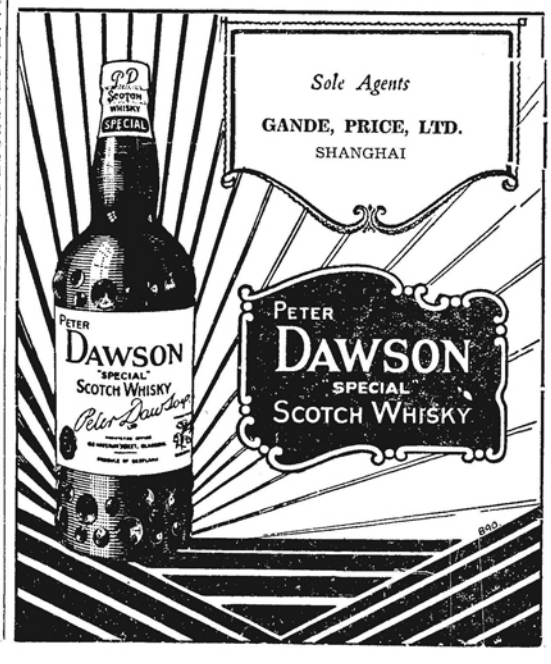
Yesterday and to-day the Union Insurance Society of Canton have been celebrating their centenary with receptions at their offices, Union Building, in Cornhill. There was an excellent "stand-up" luncheon table, and altogether some 450 guests came in to wish the Union another century of prosperity. They included all the leading marine, fire and accident underwriters, claims adjusters, brokers and merchants.

The hosts were Mr. H. G. Simms, the London manager, Mr. C. O. Lee, the marine underwriter, and Mr. F. S. Clark, the assistant London manager. The latter who is a brother of Mr. "Whiskers" Clark of Shanghai and E. E. Clark of Weihaiwei, is retiring on June 30, and goes to live at Hove I believe. He will sincerely be missed by many China folk who look upon the offices in Cornhill as a focus of reunion where at suitable hours they are always sure of a cheery welcome from Mr. Simms and Mr. Clark.

The centenary celebrations were a great occasion, which everyone who shared in them thoroughly enjoyed. Herewith a list of Far Eastern "hands" who partook of the Union's hospitality:

Hinton A. Stewart, H. C. Saunders, W. P. W. Ker, R. H. Muir, Lord Balfour of Burleigh, O. J. Barnes, A. B. Rouse, C. H. P. Hay, E. F. Mackay, A. O. Lang, L. N. Leefe, H. A. J. Macray, H. J. Gedge, E. J. Grist, W. R. McCallum, G. M. Young, R. E. N. Padfield, H. W. Looker, F. Maitland, F. H. Crossley, C. A. McLellan, A. H. Ballard, Capt. A. G. Lamplugh, M. Wolfers, J. G. Blum, O. M. Green, H. N. Laver, S. M. Garrard, H. C. R. Hancock, Leigh Garner, L. T. Easton, C. R. Slowe, Chas. Schlee, R. H. Whittall, A. H. K. Cobb, Chas. Lafrentz, J. W. Taylor, E. L. Hope, —Maynard: Wilson Trading Co.

The Siemens-Schuckert works have supplied the People's Theatre in Oslo with a three-rayed revolving searchlight which has a candle-power of 10 million Hefner candles. It is furnished with a water-proof case and so it can also be set up in the open. The slowly-revolving rays, which the search-light sends out, can be seen from afar and thus is to attract attention.



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MR. BENNETT'S LEADERSHIP

Intentions of Prime Minister Regarding Ill Health Not Yet Disclosed

FROM OUR OWN CORRESPONDENT

Montreal, May 25.

The Premier, Mr. Bennett, has now returned from England, and the sessions of the House at Ottawa have been resumed. Members of all parties joined in giving the Premier a hearty welcome, and Mr. King and Mr. Woodsworth expressed the good wishes of the opposition parties for continued improvement in health. He appeared to be in excellent shape, but it is generally felt that the strain of the past five years has seriously weakened his heart.

In a speech that was more like a personal chat than a public address, Mr. Bennett expressed his deep appreciation of the cordial reception given him. He said that during his illness it had been a continual source of strength to know that hundreds of individuals all over the country were wishing him well. This did not refer to the formal expressions of sympathy, and the formal prayers for his recovery so much as to the many, many messages of cheer he had received from obscure people of all classes.

The Premier went on to tell something of the experiences he had had while taking part in the Jubilee celebrations in London. It had been, he said, a most moving demonstration of affection and loyalty in which literally the whole city had taken part. He then referred to his impressions of the European situation; he had found conditions very serious, and thought that England had disarmed to the point of insecurity. The future did not look bright, but he expressed the hope that the efforts of statesmen on behalf of world peace would not be without avail.

Mr. Bennett's Plans

Turning to the question which he knew was of interest to the House, as well as to the country at large—his own plans for the future leadership of the Conservative party—Mr. Bennett said, "So far as my personal health is concerned I did consult the best opinions that I could secure, and the opinion that I have received is that if I were able to proceed with a certain amount of leisure and rest and avoid too much effort, in the fulness of time I might recover my wonted strength and health. I think I should say to this Chamber that they urged me not to return at this time, but knowing as I did what were the conditions with respect to this House and the date of its adjournment, I felt it my duty to do so, whatever might be the consequences. I may not be able to give to public business that measure of attention and strength of purpose that sometimes has characterized my conduct—so, at least, I have heard—but I shall do my very best while I am here to make clear what my appreciation of the situation may be with respect to the legislation that will engage the attention of the House during the balance of the session."

This statement has been interpreted to mean that the Premier will retain the leadership at least until the end of the session. Whether or not he will guide his party through the struggles of the coming election campaign still remains an enigma. He has given no hint, as yet, regarding whether there will be a rapprochement with Mr. Stevens, or any other Cabinet changes before the dissolution of Parliament.

The Railway Problem

On a number of occasions I have referred to the railway problem as one of the most important to be faced by Canadian legislators. It has long been a matter of grave concern to thinking citizens, and the fact that the present Government has not seen fit to take any very concrete steps to attack the mounting deficits and interest charges of the Canadian National system is very disappointing.

Not only has the Government failed to attack the problem at its roots but the Minister of Railways, Dr. Manion, in a public address some time ago, made light of the present difficulties. He asserted that the revival of trade that he believes is under way would solve the C.N.R. deficits, and he strongly opposed an amalgamation of the C.P.R. and C.N.R. under joint management. He denied, though without any very strong reasons, that there could be a saving of $75,000,000 annually by unification, as proposed by Mr. E. W. Beatty. And he further suggested that any plan for operation under joint management would be extremely hard on the employees of the two roads.

Mr. Beatty has just delivered an address to the Canadian Club of Toronto in which he reiterates his stand, answers Dr. Manion's objections, and goes on to put a few questions to anyone who disputes his reasoning in the matter. The president of the C.P.R. pleaded the case with fairness and deliberation, and it is hard to believe that he has not the best interests of the country deeply at heart. He insists that the question is one of public policy and national concern, not one that is of interest only to railway men, shareholders and members of Parliament. The present railway situation is declared to be a menace to national solvency, and it is therefore the duty of Parliament to choose the best method to remove that menace.

Government Control Not Good

Dealing with certain misconceptions regarding his plan, Mr. Beatty said that his intention had always been that ownership of the C.N.R. should remain vested in the Government, and that any savings obtained by joint operation of the railways should be divided fairly between their owners. The management of the unified system should be in the hands of a private company, since the experience with direct control by the Government has not been good. The Government should have a say, however, in the control of rates and service. The savings that will be effected will depend partly on the existing traffic conditions, but Mr. Beatty disputed Dr. Manion's statement that the savings that have been shown under the present plan of co-operation and pooling are the most that could be realized.

Dealing with the capital expenditures that would be necessary in his plan for unification, Mr. Beatty pointed out that expenditures would only be made in prospect of adequate savings. It is generally recognized that the years of depression have taken their toll both in the way of depreciation and obsolescence, and where rolling stock should be scrapped in favour of modern improvements true economies may be realized. The matter of dealing with settlers and industries on lines to be abandoned is also disposed of simply, the answer being that care would be taken to avoid grave hardship and communities would still have access to transportation services. For those who have located in railway centres compensation can be provided in individual instances when the true loss has been assessed.

The questions which Mr. Beatty put before the Minister of Railways and others who critize his plan for unification are:—1. Can labour, or others dependent on railway operation for their existence, be assured of employment, of stability of earnings, or of their present standard of living, if the industry on which they depend is unable to earn a return on the money invested in it? 2. will a country like Canada prosper if one of its major industries, supporting one-seventh of the population, can be kept alive only by subsidies derived in the last analysis from general taxation?

Highway to be Opened

Another important link in the Trans-Canada automobile highway will be forged on Dominion Day, July 1, when the 467-mile stretch between Winnipeg and the twin cities of Port Arthur and Fort William at the head of Lake Superior will be officially opened to traffic. Appropriate ceremonies have been arranged, and visitors from many inland points will gather at the lakehead to witness them. Special sporting events, and various excursions will also tempt the visitors to prolong their stay.

Although much local importance attaches to the inauguration of the road through Kenora and the beautiful Lake of the Woods area, of which that town is the centre, owners of automobiles in other sections of the Dominion will be interested in the completion of this new highway. Although the Trans-Canada link through Northern Ontario has not yet been completed, and there is still some discussion concerning the route that it should follow, this does not prevent motor cars being placed aboard a passenger steamer at Sarnia or Sault Ste. Marie, and ferried to Port Arthur.

Thence, tourists may continue by car right through the remainder of Northern Ontario, Manitoba, Saskatchewan, Alberta and British Columbia to Golden. A short train journey to Revelstoke in special cars attached to regular passenger trains provides the second and final link in the Trans-Canada Highway, which passes through some of the finest scenery to be enjoyed in any country.

"Het Volk" (Amsterdam) reports that the boycott of German products, organized in 1933 by the Netherlands Vegetarian Society, has been abandoned.

PROTECTION GONE MAD

Australian Criticism of Tariff Policy: Meat Interests Disappointed with Britain

FROM OUR OWN CORRESPONDENT

Sydney, May 24.

Local meat interests are somewhat disappointed at the recent turn in events at the meat talk in London. They have now made up their minds that Australian meat producers will not have the preference they hoped they would have, prior to Mr. Lyon's departure for London. They now feel that there is little hope of the Australian representatives obtaining a modification of the Argentine agreement for the remainder of its life, and that they prefer to concentrate on assuring for Australia a better place in the British market when Argentine's present favourable agreement expires.

When Mr. Thomas indulges in Christian names with the Prime Minister of the Commonwealth, the realist will smile—for the Australians have already learned that Mr. Thomas's jovial references to controversial matters are replaced usually by an uncompromising attitude at the conference table. Interested parties in Australia were much amused when they learnt that, at a recent luncheon in London, Mr. Thomas said:—"When Mr. Lyons talks of Australian farmers in the Bankruptcy Court and Mr. Forbes tries to tell me that New Zealanders are living on nothing, while he himself looks thundering fit on nothing, I still remind them that there is such a thing as British Agriculture." and again, while referring to the smallness of the populations of the dominions, Mr. Thomas said that on the average for twenty years only 150,000 persons had migrated to the dominions annually, while last year 20,000 more than those had left had returned. "Do not let us be such blind fools," continued Mr. Thomas, "As to dream that we can ignore the great export trade of the rest of the world. You know, Joe, as well as I do, that you don't much mind where your wool goes so long as you sell it."

Recent statistics show that the share of the dominions' meat trade is expanding, whereas that of the producer in Britain is contracting. Britain makes no complaint, evidently, about New Zealand, where the tariff is reasonably low, but protection in Australia has gone a little mad. "If Australian policy," said a London Daily, "would concentrate upon industries appropriate to Australian conditions, there would be a better chance of profitable dealing."

Government Wins

As was generally expected, the elections two weeks ago, proved a resounding victory for the Government parties, and a second smashing defeat for the followers of Mr. Lang. Never before in the history of New South Wales, has a political party been so overwhelmed at the polls on two successive occasions. Never before has there been so heavy a majority for a Government as that voted recently—except three years ago for the same Government against the same opponents.

There were two causes for the Government victory, and they have been stressed from the outset of the campaign. They were the fine record of the Stevens Bruxner Administration in redeeming the State from the chaos under Langism in 1932, and the hopeless handicap which Mr. Lang has come to represent to the Labour party.

The Government richly deserves its success on its own merits. The distraction and desperation of the Lang days are gone. A real spirit of co-operative effort has taken its place in the community's daily life. The Lang faction has been routed again at the pells because its whole *raison d'être* is its refusal to play the team game in Australia's recovery. For therein lies the inspiration which has caught the Australian people in the fight against the depression.

Australian Defence

So said Mr. Archdale Parkill, the Minister of Defence, on Empire Day, and to back up his statement he informed his countrymen that the Government would spend £8,000,000 during the next three years in strengthening all arms of the services. "That would at least," said Mr. Parkhill, "provide some measure of security."

Australia's trained army of permanent troops and militiamen is now about 30,000 officers and men. This is 5,000 short of the establishment for which provision is made. As the permanent army is only slightly more than 2,000, the militia forces represents 93 per cent. of the total strength.

Probably the most spectacular development that may be expected is in the Air Force. It is also expected that another cruiser to the Royal Australian Navy will be added. The effective strength of the navy would then be four cruisers.

Mr. Parkhill, by the way, is very indignant with the writer of an article in the "Aeroplane," a London publication, who said: "Australia still seems to hanker after being a naval power" in attacking the proposal to add a further cruiser in the defence programme, instead of adding to the air force.

"A few years ago," this writer states, "Australia spent millions of pounds on two absurd little ships, for the price of which she could have bought and maintained an air force big enough to keep any conceivable Japanese fleet at least 50 miles from the coast. If Japan attacked Australia the cruisers could only run screaming on the wireless that the Japanese armada was approaching. They would never see the Japanese fleet, because they would be destroyed from the air before the visitors hove in sight."

Consuls Offended

Members of the Victorian Consular Corps did not attend the King's jubilee levee held by the Governor, Lord Huntingfield, at Parliament House. They considered that they had been slighted by the treatment accorded them at the levee held by the Duke of Gloucester when he was in Melbourne. The Consuls said that they had "to fight their way in and take last place in rank and precedence" such treatment, they claimed, was a breach of the international courtesy extended to consuls in all other countries. They claim that they were unable to receive from the Government House staff invitations for the right of private entree such as State officials received, and that they were told that no arrangements could be made for them to pay their respects in a body to his Excellency the Governor, as the accredited representatives of foreign nations. The Italian consul, and the honorary Consul for Japan, were the only members of the Corps to attend.

The Australian Minister for External Affairs, said that there was no diplomatic representation in Australia. Foreign Government representatives were appointed in the capacity of Consuls and received recognition as such. Their duties were defined by international practice, and that there was no question of their having any diplomatic status in any part of Australia. The Minister also stated that the appointment of these consuls did not entitle them to be specially received at public functions and they were not given any precedence over local officials.

Improvement Still Continues

Recent official reports disclose that conditions of industry in New South Wales were steadily improving. In every essential the trend appears to be upward, and the cumulative effect is highly beneficial to the whole community.

The value of sales by registered wholesalers for March has arisen from £9,640,000 in 1931 to £12,390,000 this year. Savings bank deposits in New South Wales increased by £2,628,459 during the year ended April 30, in striking contrast with the position in 1932, when they decreased by more than £1,000,000 in one month alone. The total deposits for the whole of Australia at the end of March were £213,909,000.

Gossiping by Wireless

"Gossiping" by wireless as a diversion for women is the latest in the Australian outback. Wireless sets worked by a foot pedal were placed in many outback homes.

Primarily the sets were used for summoning the "flying doctor" as occasion arose. Wireless, however, served a secondary purpose in overcoming the distance between settlers homes. If two wireless sets were separated by less than 300 miles, it was possible to conduct a wireless telephone conversation. This facility is becoming a boon.

A Presbyterian minister from the "never-never" has told the story of how one morning his hostess went to the wireless equipment and got in touch with her nearest neighbour, who was about 100 miles away. They proceeded to "gossip" for some time. His hostess proudly told her neighbour that she had gathered so many eggs from the hens that morning. The neighbour apparently had not had as much success in her fowl yard, but, with even more pride, she declared that her baby had cut his first tooth.

Pleasure Loving Australians

Dr. T. Kagawa, the Japanese evangelist, stated here before his departure from New Zealand, that he had been greatly impressed by many features of Australian life and that he would treasure happy memories of this country when he returned to Japan.

Dr. Kagawa said that, during his travels through the Eastern States, he had been surprised to find that Ausralia was well settled by a homogeneous population which, judging by its fine universities and museums, had attained a fairly high cultural standard. Consequently he believed that in the future Japan would learn a great deal from Australia and that this country would probably produce some great leaders in world affairs. On the other hand, Dr. Kagawa regretted that the Australian people, generally sought too much to "have a good time."

In Parenthesis

Real Scotch!

A SCOTTISH scholar, asked for a sentence to illustrate the meaning of the word "deed," gave the following:—

"The thief was shot deed."

* * *

Impossible

THE congressman's wife sat up in bed, a startled look on her face. "Jim," she whispered, "there's a robber in the house."

"Impossible," was her husband's sleepy reply. "In the Senate, yes, but in the House, never."

* * *

Awkward

"YES," said he, "I once had a very clever house-dog. He could always tell the difference between a gentleman and a tramp."

"And what happened to him?" asked a friend.

"Oh, I had to put him away. He bit me!"

* * *

Page the Liquidator

A LADY was buying seeds to stock her garden for the summer. "How about some seeds of stocks, madam?" suggested the assistant.

"Yes, that's good idea," said the customer, smiling. "They're rather nice. I'll have a packet of the gilt-edged ones that seem so popular nowadays."

* * *

Poet's Lament

IN PARENTHESIS

"NORTH-CHINA DAILY NEWS,"

DEAR I. P.

I HOPE these rhymes of mine are worthy of inclusion in your column:—

It's Not the Heat!

Of all the crass stupidity
Of all the idiots cussed be he
Who says "It's just humidity!"
Who mops his brow and seeming wise
Looks at the wind and at the skies
And then opines the glass will rise.

In summer you can safely bet
He'll prophesy it hotter yet.
That's why it gets so cold and wet.

And it is in the summer season
I cannot find the rhyme or reason

why it is that my lines won't scan and the rhymes won't come, but what the Hongkong foot do you expect me to do; it's too hot to write poetry anyway.

RICCI.

Shanghai, June 17.

* * *

An Accountant's Nightmare

Exchange is a horror that haunts all our days
Till we hardly can tell what we're doin'
It's made London uneasy
New York more than queasy
And brought China, they say, near to ruin.

America's bought all the silver there is
And China can't get any sycee.
So our salary rates
Are the sport of the fates
While Reuter's remarks are quite spicy.

In working out costs there are problems galore
What are yen? What's Hongkong?
What's the peso?
Will Sterling be straight
If we take one and eight?
We can knock off an eighth if you say so!

Thus, if Shanghai is quoted at one and eight
And Hongkong at two and a penny
With Yen one thirty-eight,
You're invited to state
Your profits in dollars—if any!

Though we're at par with the coin of Canton
The Swatow dollar's gone all to blazes.
In view of these facts—
Plus how Sterling reacts—
What are likely to be the next phases?

The Brokers may sigh as exchange "hits the sky"
And what will it find there? I wonder!
Uraium bars
As the standard in Mars?
Or a note-issue based upon thunder?

KAY.

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SPECIAL ARTICLES

INCONSEQUENCES

By LATRATOR

In pre-war manœuvres in which volunteers and regulars were employed, the general commanding one side was given for an orderly a mounted infantryman of the Middlesex Volunteer Regiment. At the end of the day, when the proceedings were being reviewed, the general sent his orderly back to the Middlesex colonel with a special message to the effect that he had been highly struck with the intelligence of the volunteer in question. The testimonial was received with gratitude, but it was decided that it might be a little perturbing to inform the general that the orderly in question in private life was a judge of his Majesty's High Court. He was also a keen volunteer and a full private in the Inns of Court Rifles.

* * *

The story is recalled by the discovery of Lord Edmund Talbot, in 1916. Lord Edmund Talbot, now Viscount Fitzalan, was then Chief Whip of the Conservative Party and he noted the ability of a private member who sat for the Bewdley Division of Worcestershire, a seat which had come to that member on the death of his father who had sat for Bewdley for sixteen years. Lord Edmund Talbot advised Mr. Bonar Law, then Chancellor of the Exchequer, to make this private member a Parliamentary Private Secretary.

* * *

To business men outside Parliament the discovery was not at all astonishing, for the simple reason that Stanley Baldwin, the member in question, had been head of his family business ever since 1892, when his father had entered Parliament, and, incidentally, Mr. Baldwin was then chairman of the company as well as a director of the Great Western Railway. However, Westminster does not pretend to follow the rules of the world outside. The fact remains that from the day that private member became a Parliamentary Private Secretary, in 1916, he rapidly advanced to the forefront of British politics. Within four years he was admitted to the Privy Council and in 1921 he became President of the Board of Trade. The next year came the famous meeting at the Carlton Club when the Conservative members of the Coalition decided to cut themselves adrift from Mr. Lloyd George. Mr. Bonar Law became Prime Minister and Mr. Baldwin became Chancellor of the Exchequer. A few months later, Bonar Law died and the Prime Ministership fell to Stanley Baldwin.

* * *

His first Ministry was shortlived. In November, 1923, he called for a vote of confidence on the Tariff Reform issue and was defeated. The first Labour Government came into office; but in 1924 he was back as Prime Minister with over 400 Conservatives behind him. That Government lasted until 1929. When Mr. Baldwin next took office it was as the chief supporter of Mr. Ramsay MacDonald in a National Government. The two have changed places and Mr. Baldwin is Prime Minister again, but not in a Conservative Government; albeit, among his supporters the Conservative Party is dominant. Whether he will ever be a Conservative Prime Minister again depends on events. Certainly in the last few years he has found more critics from among members of his own party than from his recognized opponents and more unkind things have been said of him by professing Conservatives than by even the extreme section of the Labour Party.

* * *

What manner of man is this present Prime Minister of England? He has had a meteoric career, and yet it was of him and others that the late Lord Birkenhead used the caustic expression "second-class brains." Perhaps it is his entire absence of pretension to overpowering intellect, his avoidance of pose, his dislike of rhetoric, which in the long run commend him to his countrymen. Few Prime Ministers have been able so emphatically to give an impression of complete sincerity and honesty to the point of self-sacrifice, his own words give an indication of the reason for the influence which exerts:—

> If there is one thing which those who have been in any other profession than the Bar distrust more than another it is the eloquent man. In the business world, other things being equal, the man who has the power of talking is not the man who gets promotion. To be able to express oneself in business is always to be written down as being not quite first-class, and it is a joyous fact that in most of the towns of the kingdom we find that the men of business who talk most in such places as Chambers of Commerce are not the men who are making a success of the big businesses in the country. From this I argue that it is not necessarily the man most fluent of speech to whom we should entrust the destinies of the country.

And on the same occasion he remarked,

> . . . .Rhetoric is meant to get the vote of a division or at an election, but God help the man who tries to think on it!

* * *

Mr. Baldwin's reputation for lacking cleverness has often stood him in good stead, and it is hardly necessary to point to his career in order to suggest that he is by no means as stupid as his critics appear to think. The experienced Parliamentarian knows very well that nothing gets across—to use a theatrical term—so well as the suggestion that the defender of a case is not nearly so clever as those who are opposing him, and by throwing himself, as it were, on the mercy of the House, he often achieves a success denied to the brilliant exploiter of epigrams and the wielder of flaying sarcasm.

* * *

In point of fact, Mr. Baldwin can rise to the heights of real eloquence by the very sincerity of his emotions. Thus, in his speech on the danger of air bombardment he electrified Parliament and startled the nation. And in his many struggles with the restive right wing of his own Party, he has been sincere to the point of bluntness. For example, on the great occasion when he came to the defence of the absent Lord Irwin. When the day came, declared Mr. Baldwin, that the Conservative Party had no room for men like Edward Wood, on that day he would cease to lead the Party. The threat went home and the attackers retired hurt.

* * *

He has been similarly firm in refusing to countenance a breach of the National Government's status. He has adhered loyally to the view that the General Election of 1931, which put the present Government in power, was in effect an expression of the national desire to eliminate party politics for the purpose of national recovery. It is in that spirit that he has assumed the Prime Ministership and it is probable that it will be in that spirit that he will go to the country in the Autumn.

* * *

Outstanding in his career has been his bold front to the Beaverbrook and Rothermere press, his consistent enemies. Whereas Mr. Lloyd George did not disdain to make peace with the mammon of Fleet Street unrighteousness—as the peerage will tell—Mr. Baldwin has treated the press lords with fearless contempt. They have marshalled all their resources against him, but he defeated them. And his present position is in itself a striking symbol of the completness of that defeat. His strength lies in the appeal which his outlook exercises on the mass of English men and women. No man has been more outspoken in his condemnation of the war mentality, and no man gave better proof than he of his intensely patriotic feelings during the war. And no man has shown more firmness in maintaining the necessity for safeguarding national defence in order to maintain British influence in the counsels of peace.

* * *

He is essentially English. His speech to the Royal Society of St. George eleven years ago is still on record as a classic essay of its kind:—

> The sounds of England, the tinkle of the hammer on the anvil in the country smithy, the corncrake on a dewy morning, the sound of the scythe against the whetstone, and the sight of a plough team coming over the brow of a hill, the sight that has been seen in England was a land, and may be seen in England long after the Empire has perished and every works in England has ceased to function, for centuries the one eternal sight of England. The wild anemones in the woods in April, the last load at night of hay being drawn down a lane as the twilight comes on, when you can scarcely distinguish the figures of the horses as they take it home to the farm, and above all, most subtle, most penetrating and most moving, the smell of wood smoke coming up in an autumn evening, or the smell of the scutch fires: that wood smoke that our ancestors, tens of thousands of years ago, must have caught on the air when they were coming home with the result of the day's forage, when they were still nomads, and when they were still roaming the forests and the plains of the continent of Europe. . . .

* * *

Linked with this thought is a deep conviction that the cause of civilization is best served by Anglo-American friendship, and of that there is also on record a striking pronouncement made in London in April, 1925, when he was a Conservative Prime Minister:

> . . . .I will content myself by using some words which were uttered more than sixty years ago, which epitomize all that I would say, and all that I hope, and all that I believe:
>
> "Whatever else may happen, whatever misfortune may befall your country or my own, the peace and friendship which now exist between the two nations will be, as it shall be my desire to make them, perpetual."

These were the words of Abraham Lincoln. Since those words were uttered we have passed through Armageddon together. May the friendship between the two nations, based on mutual knowledge and understanding, be perpetual for the benefit of the whole world.

* * *

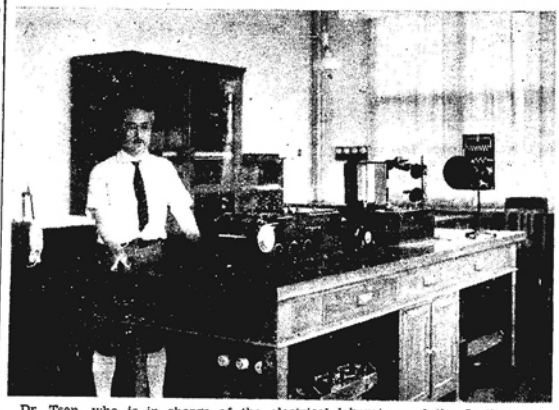
His critics have attacked him because of his ability to perceive the point of view of the other side. In essence this means that Mr. Baldwin is less a politician than an exponent of a national attitude. So, when on the eve of the General Strike he went to great lengths to conciliate Labour, it was alleged, that he was impractically endeavouring to apply the principles of the Sermon on the Mount to party politics. And yet, in the light of what happened, Mr. Baldwin has no reason to be ashamed of the words which he then uttered in opposing the introduction of a Bill which was intended to limit the political power of the Trade Unions. The Bill was recognized as necessary, but Mr. Baldwin's point was that it should be brought forward as a Government measure and not as a private Bill. At that moment its introduction might be regarded as a provocative challenge to Labour. He said:

> We stand for Peace and to remove suspicion in the country.
>
> We want to create a new atmosphere in the new Parliament for a new age in which the people can come together.
>
> We abandon what we have laid our hands to.
>
> We know we may be called cowards for doing it.
>
> We know we may be told we have gone back on our principles, but we believe at this moment we know what the country wants, and we believe it is for us in our strength to do what no other can do at this moment and say we, at any rate, stand for Peace. I am confident as I stand here that that will be the feeling of all those who sit behind me and that they will accept the amendment which I have put down in the spirit in which I have moved it.
>
> I have equal confidence in my fellow countrymen throughout the whole of Great Britain, and while I know there are those who work for different ends from most of us in this House, I know there are many in all ranks and in all Parties who will re-echo my prayer: "Give peace in our time, O Lord!"

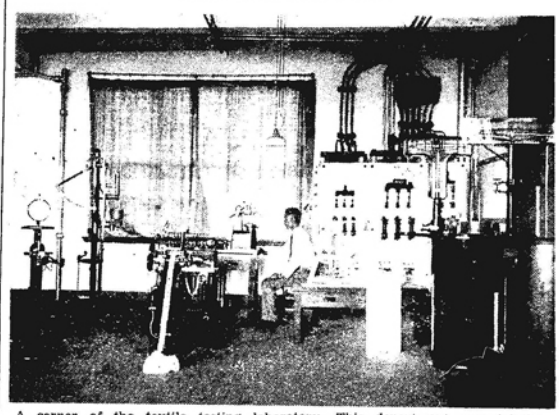
* * *

Although the hopes then expressed were not fulfilled, it is not too much to say that the spirit of that speech was largely responsible for the ease with which the country recovered from the menacing attempt to start a revolution and banished the grisly spectre of class warfare.

LABORATORY WORK AT THE ACADEMIA SINICA



Dr. Tsen, who is in charge of the electrical laboratory of the Institute of Physics. On the table are two oscillographs, delicate instruments for testing sound and electrical waves.



A corner of the textile testing laboratory. This department was jointly organized by the Cotton Industry Commission of the National Economic Council of China and the Academia Sinica.

SHANGHAI AS A CULTURAL CENTRE

Research Being Done in Laboratories of the City: The Academia Sinica

This is the first of a series of articles on the many scientific and cultural societies and institutions which give the lie to the uninformed criticism that Shanghai is too busy making money to worry about anything else. Other articles, giving details of the work being done in some of the organizations, will appear from time to time.

SPECIAL TO THE "N.-C. HERALD"

Shanghai's failings and limitations as a cultural centre have become almost a legend by dint of much emphasis and constant repetition. Her atmosphere of transience, her dollar-chasing citizens, too busy collecting enough money to retire on to have time for the more aesthetic pleasures, her lack of museums and art galleries and her general intellectual indifference—for these defects she has been pilloried again and again, chiefly by distinguished visitors to the city who have become articulate on their return to their own countries.

Where are the public institutions of art and research, usually to be found in a city of Shanghai's standing? Confronted by this question the Shanghailander is all too apt to hang his head and admit that there is something seriously wrong somewhere. He forgets to point out that while the public cultural life of the city is conspicuous by its absence—always excepting the Shanghai Municipal Orchestra—at the same time there are amenities in plenty for those who care to seek them out. Perhaps he does not remind his inquisitor that, although Shanghai boasts no public museum, the Royal Asiatic Society owns a particularly fine one and generously throws it open to the public for long hours every day. And that this Society arranges weekly lectures all through the winter, to which both members and non-members are cordially invited, without charge. And that the Chinese are setting a splendid example with their plans for a public library and museum at the Kiangwan Civic Centre. He might also add that with such organizations as the Academia Sinica, the Science Society of China, and the Henry Lester Medical Institute, Shanghai has a right to a place in the world of science and research.

The Dramatics Group

Touching upon the lighter side of culture, he might mention that there are at least four well known amateur dramatic societies, the Shanghai Amateur Dramatic Club, the American Players Association, the German Amateur Dramatic Club and the International Arts Theatre—the last named lately revived after a two year eclipse, by a group of enthusiastic members.

Again the defender of Shanghai's intelligentsia might confound the critical visitor by quoting such institutions as the newly formed Association of Chinese and Foreign Cultural Relations. He might explain that for those who wish to specialize there are such associations as the Short Story Club, the Shanghai Philatelic Society, the Naturalists' Club, the Horticultural Society, and the Numismatic Society. Music lovers of all nationalities can take their choice between the Shanghai Choral Society, the Alliance Francaise and the Shanghai Songsters amongst others, while the Shanghai Art Club and the Institute of Fine Arts do much to compensate for the lack of a public gallery.

These things and many others, the Shanghailander might tell his scoffing visitor.

The Academia Sinica

The flourishing local branch of the Academia Sinica is eloquent proof of the fact that, as far as scientific research is concerned, Shanghai does not lag behind. The three imposing buildings, standing in their own grounds on Brenan Road, are a veritable hive of industry, each and every worker bent on strengthening this link between China and the rest of the scientific world.

It was Dr. Sun Yat-sen who first thought of founding a central research academy and later the idea was put into effect by the Nanking Government. Unquestionably the highest institution for scientific research in China, the head office is in Nanking and the Shanghai branch, known as the Laboratory of Physical Sciences and Technology, takes care of three avenues of research, known as the Institute of Physics, the Institute of Chemistry, and the Institute of Engineering. These in their turn are split up into numerous sub-heads. The Physics Institute consists of a myriad departments, too technical for classification. The Chemical Institute is at present making a speciality of research work on Chinese drugs, with a certain amount of attention also devoted to industrial and physical chemistry. The Institute of Engineering confines itself to experimental work on iron and steel, ceramics and glass, and textile goods.

A Growing Concern

While Dr. Tsai Yuan-pei is the Academia's President in Nanking, a committee of four learned gentlemen

(Continued on page 541)

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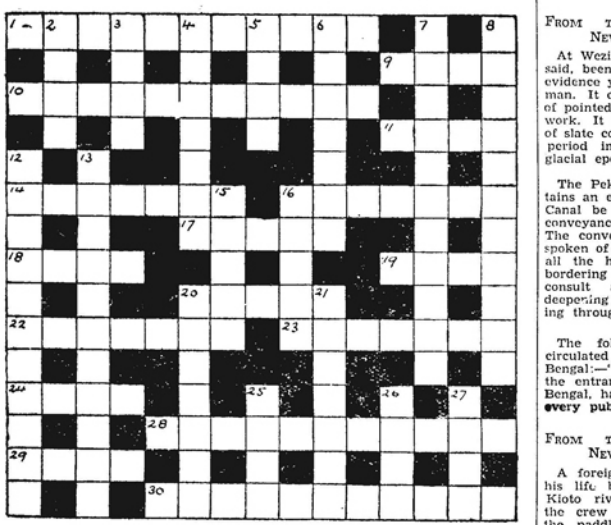
LONDON CROSS-WORD PUZZLES

(By Arrangement with the "Daily Telegraph.")

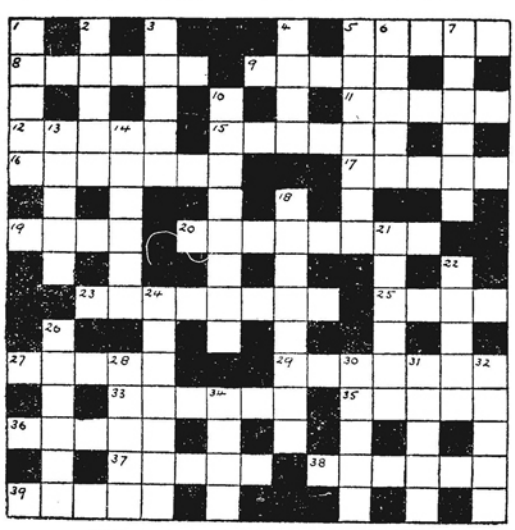


ACROSS

1 With the wise ones and a darkie I form a fanciful alliance
9 Russia's contribution to Geneva
10 Cape wood should make a sound example of this piece of furniture
11 A forest ranger
14 To steal in pity is not apparently dishonesty
16 Many things in motion can cause this
17 Most of this time may be on ahead
18 A guillotined Athenian
19 Change your stockings for better protection
20 A short legal affair
22 It would be rather bad taste to remove the tail of this bird
23 Cat leap subsides into calm
24 A preposition
28 "Tony, Italian?" (anag.)
29 Preposition
30 Famous musical composer

DOWN

2 Old time fighters sometimes tumbled to it very quickly, so you ought not to find it hard
3 An opening shutter
4 Invalidity
5 A singular way to address a friend
6 Assorted
7 From this town comes a garbled tale over a lady's head
8 "The extra rag" (anag.)
12 Advice to loot an American port is part of the abusive whole
13 Interference that suggests an underground stopping-place
15 Long affirmative with the Navy
16 Needless advice to a caterpillar
20 Material
21 Another material
25 Benevolent variety
26 A sign of the cross
27 One of the U.S.A.



ACROSS

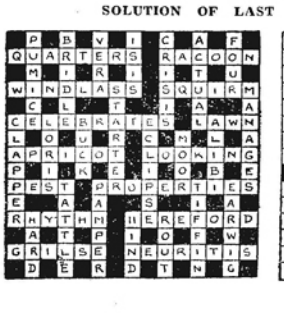
5 We call this sickness by another name nowadays
8 One might have many a lark in in this
9 On which a foul barge is not penalised
11 A symbol of duty
12 A little encouragement
15 As tutelary half, and smart
16 It is not fair to conceal nothing with us
17 Encouraged
19 This meter gives an outside estimate
20 "More urns" (anag.)
23 The way is clear in this friendly feeling
25 How's this changed
27 In prayer the Mohammedan looks to this
29 One pitch between them is the usual thing
33 Open
35 A lower contrast
36 The cause of much wooden business control
37 This ally is not all together
38 This is the last thing one would wish to do
39 This man is of civic importance

DOWN

1 Tree
2 Not so fresh, and tried another way
3 W. Country town
4 Most of this vehicle is a drawing concern
5 Green land beyond a river
6 This later for it
7 This is the time to bring the hands forward
10 Half this kind of poem is no more, and half spoken
13 One who takes steps to exercise himself
14 How a ghost should affect one
18 The death of such a one was the birth of conflict
21 In which this joined
22 Solve? Yes, if you 6 down a bit
24 Wander about like a stingy, overthrown bolshie
26 An explosive reaction
28 Hardly a friendly word
30 Action by this is not personal
31 Rather a stiff word for you, this
32 Number
34 This head is above yours

The solutions will be published next week

SOLUTION OF LAST WEEK'S PUZZLES



Sixty Years Ago

FROM THE "NORTH-CHINA DAILY NEWS," OF JUNE 19, 1875.

At Wezikon, in Switzerland has, it is said, been discovered the most ancient evidence yet known of the existence of man. It consists of a kind of network of pointed firpoles covered with wicker work. It was discovered in a deposit of slate coal, supposed to belong to the period intervening between the two glacial epochs.

* * *

The Peking Gazette of May 29, contains an edict directing that the Grand Canal be repaired, and fitted for the conveyance of tribute rice to the north. The conveyance of the rice by sea is spoken of as a temporary measure, and all the high officials of the districts bordering on the Canal are ordered to consult and devise measures for deepening the channel, and re-establishing through communication.

* * *

The following telegram has been circulated by the Government of Bengal:—"The floating light vessel at the entrance of Mutlah river, Bay of Bengal, has been **removed**, please give **every publicity.**"

* * *

FROM THE "NORTH-CHINA DAILY NEWS," OF JUNE 20, 1875.

A foreigner who recently imperilled his life by voyaging in one of the Kioto river steamboats, reports that the crew thrust great poles between the paddle floats to assist them in stopping the vessel. Nor was he more assured when he found that the safety valve had been wedged fast with a piece of kiaki, because it sometimes "blew off steam."

* * *

The question of the supply of fresh vegetables to the foreign settlements in this country is one of much importance, and we are glad to see that it is forcing itself into attention. As a contribution to the literature of the subject we give the following experience of a foreigner at Osaka who grows his own vegetables. First year, European seed, vegetables good, second year, seed saved from above, vegetables coarse, third year, seed saved from second year, vegetables as coarse and tasteless as Japanese daiko.

* * *

FROM THE "NORTH-CHINA DAILY NEWS," OF JUNE 21, 1875.

From Amoy.—The light-house on Fisher Island is very shortly to be commenced. The Ling Feng leaves at an early date for the Pescadores, taking Mr. Beazeley—Customs' engineer and successor to Mr. Bryson—to superintend the operations. A pamphlet has been published here by the missionaries, announcing the establiment of a "Union Church of Amoy," which is to enbrace Christians of all denominations—English Churchmen, Presbyterians, Unitarians, Catholics, Unsectarians, and, in fact, members of all Churches, who are to sit down and worship together. The scheme sounds very well, but the reverend promoters seem over sanguine. The Club Committee has decided to erect a new Club House, near the site of the old one. It is to be two-storeyed and is to contain, amongst other things, a theatre hall.

* * *

The L. & C. Express mentions that the steamer Chusan, from Glasgow for Shanghai, which sank at Ardrossan on October 21, was floated on May 5, and removed to Horse Island.

* * *

FROM THE "NORTH-CHINA DAILY NEWS," OF JUNE 22, 1875.

A Chinese Embassy is said to be on its way to Mandalay. The crafty Ministers give out that its object is to call the Burmese to account for having allowed Colonel Browne's Expedition a passage through Buman Territory.

* * *

A Dr. Douglass appears to have discovered that leprosy can he cured with garjan oil, experiments made in many parts of Burmah during the past year, the treatment of this scourge, are stated to have proved successful. Would it not be worth while to try it in China?

* * *

An asylum for the relief of the poor is being established near the Eastern suburb of Canton. The object of the institution is to afford shelter and treatment to the castaway sick, when they are cured, if too poor to start in life again, a small amount is given them to enable them to become hawkers. The institution is supported entirely by voluntary contributions. Coffins are also given gratuitiously to those who are too poor to buy one, and dead bodies found in the streets are accorded a decent burial.

* * *

FROM THE "NORTH-CHINA DAILY NEWS," OF JUNE 24, 1874.

The Amateur Wind Instrument Society announce their first performance for the season, in the Public Gardens, this evening. An attrattive programme is offered, and if the weather will only hold up, we may be sure the usual numbers will assemble to enjoy the music and the lounge. But the weather is, unfortunately, a very doubtful point.

* * *

We are informed by the United States Consul-General that the U.S. Consul at Amoy advises him that the export duty on coal shipped from Formosa has been reduced from $1 to one mace per ton.

* * *

A Newchwang correspondent writes:—The rumours you get as to a rebellion in this part, are not reliable. Brigands are plentiful enough, and there is or has been a corrupt executive. The new military Governor seems disposed to put an end to such conditions, hence a tion. The demand for tonnage, except stirring up of mud which attracts attenat low rates, is small, but we look for a revival with a change in the weather.

A COUNTRY DIARY

June 17.—I was recently watching a number of birds bathing and drinking and found some of their little ways most amusing. Makers of garden ornaments usually make the great mistake of shaping a bird-bath too steeply down at the edges, and deep enough for a duck to swim in. So come into the country and look at Nature's bird-bath: it is a little rain-filled hollow, usually in grassy land, but it may be hidden in the furrows among the crops: it has a very gentle slope so that the most timid bird may enter it, and it is little more than an inch deep in the middle. Here come the Sparrows, the real water-babies of the bird world, for they will jump in and out of a bath all day: then the Bubuls fluttering, romping and playing like children at the sea-side. Here is Mrs. Magpie, a big clumsy bird (but who nevertheless likes a shallow bath): she dips in one wing and flutters it—does the same with the other—dips her head several times and lets the water run over her back—and off she goes quite happy. And now comes Mrs. Woodpecker, a respectable dame with all the technique of one of those "Bobbing" bathers of thirty years ago. When travelling on the ground (which she rarely does) Mrs. Woodpecker is really trying to treat the horizontal is if it were the vertical: so here she is, tail down and head up, moving forward with jerky little runs. Arrived at the edge of the bath she puts in one foot and says "Wee!": then the other foot—and "Wee-ee!: now she is bobbing up and down in a most ridiculous manner trying to get the courage for the final plunge—there she goes—*splash!* —"Wee-ee-ee-ee!". She is now a most bedraggled looking object, fluttering her feathers in the sun trying to dry them: next moment she flies off to the nearest tree; takes a long run up a branch and then begins knocking seven bells out of the bark; for what reason it is impossible to say, unless it really *is* to get herself warm again.

* * *

June 19.—Yesterday I strolled through a tiny walled town—a real glimpse of China. All human beings seemed at rest, sipping tea or gazing stolidly at wares which it was too much trouble either to buy or sell; dogs slept; chickens scratched their ears luxuriantly on every doorstep. But with the Swallows all was hurry and bustle, flying, banking, twisting and turning hither and thither..... gathering in bundles of flies and insects....dancing under the eaves to hand them to their hungry young.... fluttering round the edges of saucer-like nests without having time to alight. One bird in particular caught my attention: his nest was an artificial affair of twisted cotton strands (provided by the Chinese shopkeeper) reinforced with lumps of mud plastered on the outside by the grateful tenant: there were *seven* gaping mouths (which the hardworking parents were doing their best to fill) arranged like a geometrical design round a cornice. I stopped and talked to this bird (or so it seemed to me) and asked him if he and his good wife were not wearied with so much serving, He answered me with a definite Cockney accent (which might well have come from Australia) somewhat as follows. "Well, Mister, Yes *and* No, if you get my meaning: my missis is a bit of a one; every year we come 'ere, reglar as clockwork—as the sying goes — and she lays seven eggs (not four or five like other Swallers do); twice in the season she does it Mister, and so, if we 'ave any luck.....(and at this point my Swallow friend became positively lyrical)....there's sixteen talkes the downward trail where two alone caime hup." "Wonderful," I said, "but how does your good wife stand it?—to which he replied with a slight wink; "Mister, didn't one of your poets saiy 'A cocktail at a Cathay bar, a simple cocktail is to her'—do you get my meaning?" I said "Yes *and* No!" Mr. Swallow went on gathering flies: and the seven mouths still gaped.

* * *

June 22.—For untold centuries the irrigation of our rice-fields has been accomplished in the same manner. A large horizontal wheel with toothed edge drives a wooden propeller shaft; this shaft in turn circulates an endless chain of wooden slats round a wooden channel inclining upward from the creek; each slat drives its portion of water uphill; and the whole stream flows gently into the banked fields through a tiny mud canal. Every part of this contraption is made of wood by hand: it is housed beneath a straw-thatched shed and driven by our buffalo, "blinded" with tortoiseshell blinkers to keep it from getting giddy (each eye piece is the complete shell of a tortoise....the very father and mother of tortoiseshell spectacles!). John-Willy or Mei-mei tend the buffalo in turn and consider it quite good sport, for they can sit on the big wheel and have a free "roundabout" ride at any time they like. The whole thing costs next to nothing, and everybody is satisfied: if we cannot afford to keep a buffalo, we merely cut out the horizontal wheel and substitute a human "treadmill." But now young Mr. Dong has flung a bombshell in our midst: he has sold his buffalo and bought a foreign-made motor pump! He positively revels in the beastly machine and talks learnedly of "gallons per minute"...."modern progress"... and things which sound like statistics. Grandma is furious about it.

SHANGHAI AS A CULTURAL CENTRE

(Continued from page 540)

control the local branch. Dr. Ting Hsi-lin is in charge of the Institute of Physics, Dr. Chuan Chang-kung of the Institute of Chemistry, and Dr. Chou Jen of the Institute of Engineering. The fourth member, Dr. Hsu Wei-man, is also Secretary of the Academia.

Seven years ago, as Dr. Hsu is delighted to explain to visitors to the laboratory, the Shanghai Branch was established temporarily in a small building on Avenue Joffre. Work in the three divisions of physics, chemistry, and engineering, forged ahead. Major and minor discoveries were made, unheeded by the general public but of some moment to the scientific world.

Then, four years ago, the China Foundation for the Advancement of Culture and Education granted a fund for building a laboratory. This was completed in its present site on Brenan Road in 1933, when the staff moved to the spacious new quarters, delighted with the up-to-date equipment, attractive grounds, and possibilities for expansion.

The general office stands just inside the gateway with the two laboratory buildings a few minutes walk away An intensely interesting hour or so can be spent on a tour of inspection around these buildings, particularly if one of the executives can be persuaded to act as an escort.

The Electrical Laboratory of the Institute of Physics presents an awe-inspiring spectacle to the layman. Under the direction of Dr. Tsen, the workers hover absorbedly over the delicate testing instruments while electric plants of complicated design stand in the corners of nearly all the rooms. The chemical division is of course, equally mystifying with its endless shelves filled with jars, bottles, phials, and test tubes.

Just at present textile research activities are being carried on in a department in the main building, but plans are under way for the erection of a separate textile laboratory in the grounds.

By far the most interesting building, to the uninitiated, is that of the Institute of Engineering. Here, in the iron and steel department, experiments in stainless and other varieties of steel, are blazing a trail for manufacturers of the future. Although in the process, this department does a certain amount of manufacturing, no profit is made, products being ordered mainly by Government institutions, to whom they are supplied at cost price.

In the glass research shed, tubes and bowls of weird shapes can be seen undergoing all sorts of purification by fire and water, and here the famous chemical glasses "Pyrex" and the German "Jena" are being not only equalled but actually improved upon, in Chinese glass.

Small children would be fascinated with the porcelain department, where experiments are being made in every kind of clay found in China. The workers appear to be having a lovely time making what looks like ice cream out of powder and water, moulding it, slapping it, turning it with a lathe to the required shape and finally baking it until thoroughly cooked into a quaint little tea cup or beautiful copy of a vase of the Ming Dynasty.

Later on the visitor is escorted into a kind of sample room, where the results of experiments in various clays are listed and shelved for the benefit of would-be porcelain manufacturers, who visit the Institute to find out which clay would be best suited to their purpose.

One more activity of this organization should be mentioned. Tucked away on the fourth floor of the main building is a little factory, where instruments used in physics experiments are made. These are distributed, not only to branches of the Academia, but also, at the request of the Government, to Chinese Government Schools, instructors of physics classes having complained that they find it practically impossible to obtain correct instruments for the students.

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THE BOOK PAGE

GIANTS' PLAYGROUND

THE HIMALAYAN JOURNAL Records of the Himalayan Club. Vol. VII. 1935. Edited by Kenneth Mason. Clarendon Press, Oxford. 8/-.

That annual delight to climbers and stay-at-home explorers alike, the "Himalayan Journal," has now reached its seventh volume, and the issue for 1935 gives a generous supply of fascinating accounts of exploration in the Himalayas. The German Himalayan Expedition to Nanga Parbat is described by Fritz Bechtold, supplemented by diary jottings from Captain R. A. K. Sangster as well as by memoranda on the scientific work of the expedition by Professor R. Finsterwalder, Dr. Walter Raechl and Dr. Peter Misch. The accounts are illustrated by admirable photographs and they give an authoritative version of a magnificent climbing feat which, unhappily, ended in tragedy. A terrible storm put an end to the first assault on the summit. The expedition was handicapped by mountain sickness among the porters, and although heroic courage was displayed, the attempt had to be abandoned:

All were now agreed that the first assault on the summit had failed Merkl, therefore, gave orders for the descent to Camp 4. Aschenbrenner and Schneider were to go in advance with Pasang, Nima Dorje II. and Pinju Norbu to make the track. Merkl, Welzenbach, and Wieland were to follow immediately with the other porters. At the common start all were fit enough for the descent. Not a single one of the party 'thought only of flight and of saving his life' as Marcel Kurz has written. On the contrary, the march down from Camp 8 took place with full reflection and in the best order. The storm on the 'Silver Saddle' was so fierce that the first party had to exercise the utmost care during the descent of its steep flank. Schneider went first, the porters next, and Aschenbrenner brought up the rear, ready at any moment to arrest a fall. About 100 metres below the gap Nima Dorje II was torn by the storm from the steps. It was only with the utmost difficulty that Pasang and Aschenbrenner succeeded in holding him on the rope, and so saving the whole party from death. But the storm had swept the sleeping-bag from Nima Dorje's back. Like a balloon the big pack sailed away over the Rupal side of the crest. The five men had now only one sleeping-bag, and it, therefore, became absolutely necessary to reach either Camp 5 or Camp 4 that day if they were not to be frozen. In the raging snow-storm it was impossible to see more than 10 metres ahead, so that many false tracks were made. To save the porters from making these exhausting detours, Aschenbrenner and Schneider unroped themselves from them on the easier ground opposite Camp 7, telling them to follow immediately in their tracks. When the storm tore the clouds asunder for a moment they saw the second party coming down from the 'Silver Saddle.'

After superhuman efforts Schneider and Aschenbrenner, completely exhausted and covered with ice from head to foot, reached safety in Camp 4 the same evening. They had lost sight of the porters, but believed them, together with the second party, close behind them. We waited in Camp 4 the whole evening and the whole night expecting them, but Willy Merkl and his men did not come.

A succinct account of the tragedy can be obtained from Captain Sangster's diary:

It appears that the three climbers, Merkl, Welzenbach, and Wieland, with the porters, left Camp 8 on the 8th July shortly after Schneider and Aschenbrenner. That day they only got down to a spot just above Camp 7, and spent the night there without a tent, presumably in a snow cave. On the 9th July they went on down to Camp 7. Near Camp 7 Wieland sat down in the track and fell asleep, never to wake again. In Camp 7 there was still a tent standing which afforded cover for some of the party. Porters Kita, Kikuli, Nima Tashi, and Da Thondu, went on still farther down and spent the night in an ice cave near Camp 6. On the 10th July these men overtook the three porters who had started with Schneider and Aschenbrenner and who had spent one night in Camp 7 and the next in a snow cave near Camp 6. Together they crossed the Rakiot peak, and four of the seven porters reached Camp 4 the same day. These were Pasang, Kitar, Kikuli, and Da Thondu. The remaining three porters, Nima Dorje, Pintzo Norbu, and Nima Tashi perished near Camp 5, dying on the track from sheer exhaustion. Merkl and Welzenbach with two porters (Gaylay and Angtsering) remained two days in Camp 7, presumably hoping that the storm would clear. The porters Nima Norbu and Dakshi had died on the 11th. On the night of the 12/13th Welzenbach died of exhaustion in Camp 7. On the 13th Merkl, with Gaylay and Angtsering, continued the descent, and reached a snow cave on the saddle near Camp 6. All were in a very bad condition; they had had nothing to eat for at least four days, were exhausted by the altitude and badly frostbitten. On the 14th Angtsering performed the magnificent feat of getting down to Camp 4 over the difficult Rakiot peak alone. Nor must the gallantry of Gaylay be forgotten. He stayed with his leader in the vain endeavour to look after him until help should arrive from below.

July 15. Another attempt was made from Camp 4 to get up to the stranded Merkl and Gaylay.

July 17. Another vain attempt was made. It was impossible. The snow was now worse than shoulder deep. All climbers and porters were exhausted. All hope had to be abandoned. Merkl and Gaylay must have perished on the 14th or 15th July. They were foodless and had not eaten for some days; they were exhausted and badly frostbitten.

The expedition had to leave its dead behind, it could not get back to them, and thus in 1934 the story of the failure of 1932 was repeated, with the added sorrow of the loss of valuable lives. The death of Merkl was particularly regretted. His talents for organization and initiative were great, and to him the scientists of the expedition were indebted for much valuable assistance.

Another German expedition of earlier date on Kangchenjunga is recalled by a translation by Lieut.-Colonel C. M. Thompson of a description of the remarkable map of the glacier itself taken by a process of photogrammetry. This map is reproduced in colour as a supplement to the Journal and is in itself a beautiful piece of work, bringing out the photogrammetric survey in a most effective way. Photographers will find much interest in the article and in the map itself which is a valuable contribution to knowledge of the topography of the Himalayas. It is only by photogrammetry that it is possible to survey the higher features of the mountains exhaustively and to give a true representation of their form. Thus the method serves the double purpose of triangulation and detailed topographical survey.

The Journal gives, as usual, interesting accounts of smaller expeditions which show that the Himalayan Club has justified its existence by encouraging climbers to unveil the mysteries of the Himalayas and thus provide an ever-increasing store of knowledge for the better understanding of the massive fairyland. In his notes the Editor says:

Many parts of the earth to-day are in an unhappy state of unrest. They are the low parts, low in altitude and low in outlook. A few parts of the earth are left upspoilt; the loftier regions of the Himalayas are among them. From time immemorial men have been able to quit the anxieties of their daily life in the plains and seek relaxation, pleasure, and peace among the mountain solitudes.

The Himalayas are becoming better known to the world. The days when they were visited only by survey officers, travellers, and sportsmen, escaping from the heat of the plains, are gone. Every year more secrets are revealed, more hidden paths are trodden; and every traveller, maybe quite unconsciously, reaps where his predecessors have sown. Every new achievement has a long history of preparation behind it. A great summit may be seen from the plains and fixed; a survey locates the approaches to its base; travellers remark on its beauty and pass it by; perhaps a mountaineer, unprepared to come to grips, may play about its skirts. Between this stage and the day when the summit is reached many years may elapse.

Mr. F. S. Smythe discusses the problem of Kangchenjunga on the basis of his own personal experiences and also the experiences of the German expedition. He pays a warm tribute to Herr Bauer, the famous German climber and, indeed, expresses the hope that when Kangchenjunga is climbed it will be Herr Bauer who will be the conqueror, if only because of his splendid efforts of 1929 and 1931.

The sufferings of Nepal from the earthquake of 1934 are recorded in photographs and narrative by Mr. J. B. Auden, and the Editor supplies supplementary notes on Eastern and Central Nepal in explanation of the article.

The expeditions which are to be made this year include Dr. and Mrs. Visser's fourth visit to Karakoram on botanical and meteorological research work bent; a French expedition under the leadership of M. Jean Escarra is expected to visit the Himalaya this year; and Professor Dainelli will also be making another survey of the mountain land. Mr. Hugh Ruttledge is already making plans for next year's assault on Everest, and the review of his book by Sir Geoffrey Corbett is of special interest in that connection. Sir Geoffrey considers there were three mistakes which affected the failure of the Ruttledge Expedition in 1933: failure to establish Camp 5 on May 20 and the second failure to make full use of the three favourable days, May 20-22; the instructions to Wyn Harris and Wager to reconnoitre the second step on May 30; and Shipton's illness on June 1, which left Smythe to make the last assault alone. Sir Geoffrey points out that solitary climbing is not a work to be encouraged and on the last thousand feet of Everest, in dangerous conditions, it is bad mountaineering. He does not blame Smythe for going on, but urges that such a plan should not be repeated, for it is nothing more nor less than a forlorn hope. On the other hand, tribute is paid to the leadership of the expedition in avoiding serious accidents under exceptionally heavy handicaps. For the future, Sir Geoffrey's advice is clear:

But the thing that really sticks out is this: the whole plan, the whole organization should concentrate on one thing, to place the strongest possible party, adequately supported, in the highest possible camp. The number and position of the camps are matters for the most careful thought. Smythe's letter in the *Alpine Journal*, already quoted, is an important summary of his own views. He considers that the passage of the couloir, at which previous assaults have ended, should be made secure, for about 400 feet, with pitons and fixed ropes. It has even been suggested that there should be a light advanced camp beyond the couloir, on the final pyramid. In any case, if the summit is to be reached, it is difficult to escape the conclusion that there should be a camp within striking distance of the couloir, with comfortable tentage and well provisioned, in which four climbers and, say, four porters could ride out bad weather. Some of us are old-fashioned enough to think that a party of three would attack the passage of the couloir more safely, and, therefore, more confidently and effectively than a party of two. Some of us would like to see a porter in the party which reaches the summit. There must at least be a sufficient reserve to avoid repetition of the fiasco of the 1st June 1933. Nor should a party which is going for the summit be required to descend again below the highest camp. These may seem counsels of perfection: but it becomes a question whether the preliminary effort is worth while if this much, at the last stage, is considered to be impracticable.

It will be interesting to see whether Mr. Ruttledge will be able to profit by his own experience and by the deductions from that experience so lucidly made by a veteran Alpinist. Altogether, this is an exceptionally interesting number and will be read from cover to cover by all enthusiasts.—E H.

SIX PLAYS

FAMOUS PLAYS 1934. Gollancz, London. 7/6.

Pride of place is given in this volume of plays to Mr. Norman Ginsbury's admirable historical study, "Viceroy Sarah." The characters of the three women in the drama of England in the early 18th century are brilliantly drawn and deftly adapted to a dramatic effect which does not outrage historical accuracy, and the playgoer who likes the happy ending will at all events be glad that Mr. Ginsbury gives full scope to the romantic affection which existed between the Duke of Marlborough and his masterful wife from their first meeting to his retirement from public life.

"The Dominant Sex" is essentially modern, and in reading it does not seem particularly notable. Matrimonial infidelity as an acceptable bulwark to matrimonial felicity is a theme which has very frequently been exploited, but Mr. Egan's attempt is not particularly impressive.

"Frolic Wind" is a truly amusing comedy and it deserves its place in the book, as also does Rodney Acland's delightful adaptation of Hugh Walpole's "The Old Ladies." Mr. Van Druten's "Flowers of the Forest" and that now established favourite, "Lovers' Leap" complete an admirable selection, and dramatic clubs may well suggest purchase of this book to their casting committees. —E.H.

A CHINA REVIEW

LA REVUE NATIONALE CHINOISE.—53 Foochow Road, Shanghai. $1.00.

"La Revue Nationale Chinoise" for June gives pride of place to an article by Mr. Wai Chiao-chia on the recent Agreement between Indo-China and China. That Agreement should have a satisfactory influence on Franco-Chinese relationships. The author concludes that if the national unification of China is achieved and its relationships with Indo-China definitely placed on a basis of equality and reciprocity, it will then be possible both from the French and from the Chinese side to develop a strict economic co-operation. The leaders of industry and commerce in the two countries should set to work to discover how this can best be expressed. France has an abiding interest in the peace of the Far East and China has the same ambition. When the depression is over, Mr. Wai Chiao-chia sees a magnificent realization of Franco-Chinese *rapprochement*. The journal contains the usual excellent standard articles, including a review of the political comments in the foreign press, and a record of events in the provinces, and, as usual, it has an excellent monthly diary.

FREEDOM FOR ART

ART AND THE LIFE OF ACTION.—By Max Eastman. Allen & Unwin, London. 5/-.

This book has a strange fascination. The author is a communist, son of Samuel Elijah Eastman, so presumably a Jew, married *en seconde noces* to Eliena Krylenko, of Moscow, and has a good knowledge of German and Russian, as one gathers from his book.

It is in relation to this varied background that it is possible to begin to understand what his book is all about, and having with difficulty read the first half of it through (by dint of re-reading many chapters and tussling with many long paragraphs) one is forced to the conclusion that this man is more interesting in himself than in his writings. The second half of the book is called "In Other Countries" and, while throwing much interesting comment vividly on a moving screen, he manages to reveal himself more than one could have hoped, and in this lies the fascination of what he writes. In fact he shows himself to be a consummate artist by his own definition of the word "art:"

What distinguishes art from the mere purveyance of pleasure is this arresting of the brain's purposive fight while consciousness itself spreads wings. It may be a pleasure which art holds vividly before us; it may be, in the narrow sense, a pain. But even when it is a mere confection or a juggler's trick, art lies in making us stop still and dwell upon its quality.

Now that is also the burden of the first part of his book, and on this basis he pleads for true freedom for the artist. He quotes Voronsky as saying that "art is a knowledge of the world in the form of felt and imagined contemplation of it," and argues that the German Bolshevik artist, George Grosz, is talking nonsense when he declares that "the artist of our day, if he does not want to be an empty runner, can choose only between technique and class struggle propaganda;" and Diego Rivera, the Mexican Bolshevik, and Hitler's Minister of Propaganda, Goebbels, who say that art is not art if it is not for propaganda's sake, and Mussolini's reported refusal to open the style show in Turin until the slim girls in the murals had been washed down, because they did not fully exemplify "the fully developed bust and hips appropriate to the Fascist girl and mother," are all examples of a futile attempt to bend the artist's moods to the service of the predominant political theory of the day.

All of this is well argued in the typical condensed tight manner of writers of the communist persuasion. What these people have to say is anything but stereotyped and familiar—it is revolutionary and means to be so. Some day we may get to know the phraseology of revolution and thence its ideology and we shall all be in a perpetual state of revolt in consequence — against ourselves and others—and then chaos and not communism will result. But that's another story.—DYNAMIS.

FROM RIGHT TO LEFT

JAMES MAXTON The Portrait of a Rebel. —By Gilbert McAllister. Murray, London. 5/-.

In "The Portrait of a Rebel," Mr. Gilbert McAllister has portrayed the evolution of James Maxton from an athletic Conservative graduate in Glasgow to an unbridled Socialist M.P. in London and in so doing has depicted a portrait which resembles, to a remarkable degree, another "rebel," De Valera.

While one cannot but admire the courage of Maxton, one is forced to deprecate his desire to destroy the existing social order rather than to assist in the construction of a better order within the scope of practical politics.

When appearing before a Tribunal as a conscientious objector, Maxton stated:

There comes a time when a man must judge what his duty as a citizen is and what it demands of him and what is demanded by his own conscience. I have made up my mind and I would consider myself a shirker to my party, a shirker to the beliefs I have been promulgating for years, if I altered in the least, the stand I have taken.

The sentiments expressed are admirable but thereafter one finds that Maxton's conscience, *vis-a-vis* his party, is very elastic and his duty as a citizen is forgotten in a desire to embarrass not only his opponents but his friends.

Keir Hardie, the Father of the Labour Movement, said that no man can ever hope to guide and shape a political movement from without. The men who run the machine are masters of the situation. Had James Maxton remained within the Labour Party and encouraging it with his idealistic theories, assisted it with such practical ability as he possesses, the Party would be more firmly established than it is to-day and Maxton would be nearer the realization of his ideals, the development of which, by his own actions, he has retarded.

All those interested in British politics should read this book, for, by its omissions as much as by its admissions, it shows clearly that the majority of all classes in Great Britain are strongly opposed to Communism, and even the outstanding personality of James Maxton is unable to persuade his followers to support a movement to which they are basically antagonistic.—A.K.F.

THE FATE OF MAN IN THE MODERN WORLD

By Nicholas Berdyaev
Translated by Donald A. Lowrie

This book by the distinguished Russian writer is an attempt to analyse the deeper movements of human life in the modern world. The author sees our age as a time of crisis when momentous decisions for the future of humanity are being made. In particular he tries to warn the world of the perils arising from the subordination of human personality under the domination of the state, of the industrial system and of the growing mechanisation of life. He has much that is vigorous to say about Fascism and Communism. The book is the work of an original and profound thinker. . . . . 3s. 6d.

WORLD PROBLEMS OF TO-DAY

Explained for Boys and Girls
By Hebe Spaull

The chapters deal with such topics as disarmament, the race problem, minorities, unemployment, the League of Nations, Communism, Fascism and so forth. . . . . 2s. 6d.

THE WAY OF ST. FRANCIS AND TO-DAY

By J. S. Hoyland
With an Introduction by Laurance Housman

The figure of the little poor man of Assisi and his way of life is of perennial interest. Mr. Hoyland paints a vivid portrait, and also applies the teaching of St. Francis in the most practical terms to modern everyday life. It is a challenging book and many will want to use the questions for discussion that are suggested. . . . . 3s. 6d.

RELIGION AND PSYCHOTHERAPY

A Plea for Co-operation
By A. Graham Ikin, M.A., M.Sc.

A book that explains the need for co-operation between psychologists, doctors and clergy for the attainment of healthy spiritual and physical life for men and women in modern times: Psychology and Religion, Spiritual Healing, Faith and Suggestion, the relation between sin and disease and the best methods of collaboration between clergy and doctors are among the subjects discussed. The author writes as an expert practising psychologist. . . . . 3s. 6d.

Postage extra

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140 Peking Road, Shanghai

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THE WOMAN'S PAGE

Shanghai, June 21.

The summer exodus has commenced and hardly a day passes without at least a dozen goodbyes until September. Departures, however, have in no way interfered with the usual number of Shanghai social gatherings and it was rather because of than despite leave-takings that this week's calendar has been so unusually full.

The majority of parties originated in the American group. First, farewells were said to members of the American Economic Mission and then greetings were extended to members of the Garden Club of America who have been on a tour of Japan and China for the past two months. Heading the list of "large events" was the dinner and reception at the Park Hotel Monday night tendered by members of the Mission to their Chinese friends and others who had entertained them during their sojourn. A goodly number of ladies lent their presence to this affair which ended with almost the entire group escorting the hosts to the customs jetty and wishing them *bon voyage*.

Members of the Mission also were in evidence at the very large and delightful cocktail party which Colonel John C. Beaumont, of the U. S. Fourth Marines, gave earlier on Monday evening in the enormous garden of the R. J. Corbett home in Route Ghisi. Scores attended the party and practically every nationality was represented among the guests who, according to their desires, stood in brightly lighted spots under the trees or in the shadows.

More Arrivals

No sooner had the Economic Mission departed than another American group descended upon the town. This was the garden club party which spent a hectic few days here and sailed yesterday on the Tatsuta Maru for Japan and home shores. Garden club members arrived here tired but happy from strenuous tours of Japan and Peiping and with nothing to do but shop and enjoy themselves.

During their brief "look-see" at Shanghai two official functions were arranged in their honour—the garden party arranged by the American Women's Club at the home of Mrs. Lansing Hoyt, Wednesday, and the reception given by Mayor and Mrs. Wu Te-chen on Thursday afternoon. Not even the rain, which came down in torrents, could dampen their spirits and they seemed quite delighted with the informal tea party which was to have been held in the Hoyt garden. At the last minute tea things were hurried indoors and hostesses and visitors stood about in the spacious drawing rooms chatting about their gardens on either side of the Pacific.

One of the interesting garden group visitors was Mrs. William Dupont, member of the Wilmington Delaware Club and a collector of rare orchids. It is in London and not in the tropics where the best orchid specimens are now to be found, according to Mrs. Dupont who left the party and proceeded on to Java yesterday, this time "just as a tourist" and not as a collector.

Scotch Tiffin

Another garden club member, Mrs. John S. Barnes, was the incentive for the "Scotch" tiffin which Mrs. James Macbeth gave Thursday at her home, 139 Route Grouchy. It was as though the day were made to order, for a "Scotch Mist" preceded the tiffin itself which was served buffet style and included "haggis," oat cakes and other Scotch dishes. Mrs. A. W. Sherriff, a close friend of Mrs. Barnes' in America, assisted Mrs. Macbeth in receiving and guests included wives of American Marine and Naval officers and ladies from the U.S. Consulate. Among the 30 guests were Mrs. M. C. Walker, Mrs. John Hemick, mother of the Judge of the United States Court for China, Mrs. Fred Taylor who sails for America next week, Mrs. Jennings, Mrs. H. Schmidt, Miss Nancy Jennings, Miss Bernice Schmidt, and Miss Betty Walker who recently graduated with honours from the American School.

One of the largest affairs of the week was the house-warming and cocktail party which Mr. and Mrs. U. Y. Yen gave in their pent-house residence in the new Grosvenor House. Mr. and Mrs. Yen received their several hundred guests and escorted them over their new apartment.

Presentation at Court

And speaking of the Yens', word has just been received here that their only daughter, Miss Liane Yen who left Shanghai in February in the company of Mrs. G. L. Wilson, is to be presented at The Court of St. James, June 26, by the Chinese Ambassadress, Mme. Quo Tai-chi, Miss Yen will have the distinction of being the first Chinese girl to be presented at court wearing Chinese-style dress. Her presentation gown will be fashioned of pale pink satin, embroidered with pale blue and silver butterflies. She will wear the customary train hung from the shoulders, and she will have the official accessories of head-dress and fan.

Visitors In Our Midst

Mr. Douglas Fairbanks, the famous film star, with his party which included Lady Ashley, Miss Carew, Mrs. Chopping and Mr. Rocher were entertained by Sir Victor Sassoon at his Hungjao residence, "Eves", during their one-day visit here last Sunday. Lucky indeed were the few who were fortunate enough to catch a glimpse of the popular star who was hurrying home for business reasons.

Mr. and Mrs. James A. Moffett made many friends in Shanghai although they were here only little more than a week. They were entertained almost every night at some affair or other and it was with real regret their new-made friends said good-bye to them last evening. Mr. Moffett, who is Federal Housing Administrator for the U.S. government, and Mrs. Moffett are making a trip around the world.

Lady Precious Stream

All interest in Shanghai seems to be turned toward the International Arts Theatre production of "Lady Precious Stream" at the Carlton Theatre next Tuesday and Wednesday nights. Many dinner and theatre parties have been arranged for the opening and among those who will entertain large groups are:—

Mrs, Y. C. Wen, Mayor and Mrs. Wu Te-chen, General K. K. Feng, Count and Countess de Courseulles, Mr. Denzil Ezra, Mr. and Mrs. P. G. Calcina, Mr. Jimmie Barton, Mr. R. R. Smith, Mrs. Daniel Chung, Colonel Graham. Mr. Simmay Zau, Mr. and Mrs. Dexter and many others.

Dick Smith's party will be given as a farewell to Mr. and Mrs. Rodd Moffett who sail on Wednesday for India. Rodd will be gone until Christmas but Betty will return in September to continue as the hard-working secretary for the I. A. T. The Moffetts were honoured at another farewell party Thursday night. The hosts on this occasion were Mr. Hal Hertz and Mr. Paul Dietz.

Splendid B.W.A. Work

And while we are on the subject of rewards there should be at least three rousing cheers for Mrs. Colter, efficient executive secretary of the B. W. A., through whose constant efforts such a large contribution to the King's Silver Jubilee Fund was obtained. The Victoria League has just notified the local organization that the wonderful sum of £389, representing contributions from Shanghai and the outports, was a splendid proportion, of the total of over £1,000 collected through the Empire Societies.

British Broadcasting Societies

Another bouquet is for Mr. J. D. E. Shotter who is working so tirelessly in behalf of the British Broadcasting Association. The association, membership $5, has been formed so that British residents here may enjoy a one hour daily programme of British music. A meeting of all members is scheduled for July 1 at 5 p.m. in the Cathedral School when officers will be appointed. For the present Mr. Shotter is serving as chairman and other workers are Messrs. C. D. Pearson, Baker, W. J. P. Marsh and F. C. Millington.

The Theatre In The East

MISS GRACE LIANG, CHINESE WOMAN PRODUCER, TALKS ON THEATRICAL EXPERIENCES

By Ai-lien

Spontaneous enthusiasm for the art of the theatre, original ideas and determination to see things through, in addition to the necessary technical knowledge, appear to be the indispensable qualities which go to make up a successful producer. This, at least, is the impression gained by a representative of the "North-China Herald" after interviewing Miss Grace Liang, the first Chinese woman producer of proved ability and achievement. Recently returned from England, Miss Liang distinguished herself there by her presentation of "Lady Precious Stream" for the Garrick Society, which broke all records for the 21 years of the Society's existence.

Modest and unassuming, Miss Liang impresses one with her utter frankness, unbounded energy and eagerness to study. Despite many social engagements which had to be crammed within the few short days of her stay in Shanghai, Miss Liang was most anxious to meet local amateur producers. She speaks perfect English with most refreshing charm and also several Chinese dialects.

A Compliment to Author

After highly praising Mr. S. I. Hsiung for his brilliant interpretation of "Lady Precious Stream," Miss Liang, questioned as to the reason for its success, attributed it to a series of fortunate circumstances. For one thing, the novelty of a Chinese play interpreted by a Chinese into English and adapted to the western stage appealed to the public fancy.

Discussing her experiences in production, Miss Liang said that the last two weeks before the opening date were the hardest since one then became the most nervous. It was either a question of losing one's temper or one's mind. An amusing incident which happened during a rehearsal of "Lady Precious Stream" illustrates the trials of a producer. One of the characters had to ride a horse symbolized by the whip of the Chinese drama. To make it more realistic, Miss Liang had someone beat two cocoanuts offstage in simulation of hoofbeats which had to synchronize with the actor's movements. To her amazement, two distinct and extra hoofbeats followed after the imaginary horse had stopped. She informed the person responsible that these were quite unnecessary, nevertheless, the same thing was repeated several times. In exasperation, she finally demanded an explanation and was told that the extra beats indicated that the horse was doing a sidestep! In no uncertain terms, Miss Liang said that *her* horse did not sidestep and never would.

The Shanghai Production

Asked how she would produce "Lady Precious Stream" in Shanghai Miss Liang said she would not present it in the same way as she did in England. There she had to concede to the taste for novelty and the audience's preconceived idea of Chinese action. Thus, she used, to a certain extent, modified stage conventions of the classic Chinese drama.

Here, she would attempt to combine the best of both China and the west, at the same time striving for reality and applying logic to the portrayal of human emotions. As an example of characterization, Miss Liang mentioned the part of the Princess of the Western Regions in "Lady Precious Stream." According to Chinese stage convention, the mounting or dismounting of a horse was merely a symbolic gesture, but, in the English production, she made this character ride her horse with spirit and snap, like an "amazon." As she remarked, "How could you expect the conventionally languid stage heroine to lead an army as the Princess of the Western Regions did? Her every movement must make the role credible."

Must Speed Up Action

Further, she drew attention to the slow tempo of the Chinese play. In the plays she has produced, two in England and two in China, Miss Liang has endeavoured to co-ordinate speech and action into a harmonious whole so there would be no unnecessary dragging out and the interest of the andience sustained. At the same time, she strove for naturalness. As she said, the Chinese do not express their emotions as freely as other people and, therefore, in acting, their feelings must be conveyed by an inward repression that is, at the same time, visible to the audience. This she considered the highest form of dramatic art and cited Mr. Adolphe Menjou, Hollywood cinema star, as one of its ablest exponents.

Miss Liang designed all the costumes for "Lady Precious Stream" herself and so impressed was the author by her handling of a previous play, he gave her *carte blanche* to produce his in any way she chose. The same applies should she produce it in China. Mr. Hsiung's confidence in Miss Liang's ability is further proved by the fact that he insists that she come to England for his next production. That this is also a wise step is shown by Miss Liang's belief that no one should tamper with or attempt to change any author's work. To do so is sheer vandalism and she considers it better to write one's own play than ruin another's.

Her First Serious Attempt

Although always interested in the art of the theatre, Miss Liang made her first serious attempt at production when she staged "Hsi Shih" at Tientsin. She dramatized this from the book "Beauty of Beauties — Hsi Shih", written by Mrs. Wu Lien-teh. She designed the costumes herself and assembled a cast of 35 persons. It proved such a success that it was arranged to bring the whole company to Peiping and even suggested that it be reproduced in Shanghai. Her sudden departure for Europe caused the cancellation of these plans.

It is known among her close friends that she laboured under many difficulties, not all connected with production, at the time. Not the least of these was parental opposition to having a daughter, and an only daughter too, having anything to do with the theatre. So, during the weeks of rehearsal for "Hsi Shih", Miss Liang avoided domestic criticism as much as possible by having every meal but breakfast outside her home, it being impossible to cover up her activities because of the wide publicity given to her work.

An Unpresented Play

Miss Liang also gave the interesting information that it was not until after her own presentation of "Hsi Shih" that she learned of another version of the same story, an original dramatization written by members of the Chinese Amateur Dramatic Association at Shanghai some time before. What appealed to her, she said, was their original ideas and it was unfortunate that they had been unable to carry them out. She felt that if an opening date had been set from the beginning, the presentation of the play would have been accomplished. She was against delays and postponements and set five weeks as a time limit for any production. It appears that the Chinese Amateur Dramatic Association, the first of its kind, twice had its production of "Hsi Shih" completely cast and rehearsed. Unforeseen circumstances upset these plans. The first was the Mukden Incident of September 18, 1931; the second, the Shanghai War: and later, the unavoidable departure of several of the leading characters from Shanghai. It is still hoped that, with more favourable conditions, the Society will be able to realize its objects at a not far distant time.)

Miss Liang left for Europe last July with a group of professors, travelling via Siberia. She spent most of her time in England where she studied nothing but stage production. She was for a time at Cambridge, later joining the Producers' Society under Edith Craig, daughter of Ellen Terry. To qualify for membership, one must have produced at least one play. It was here that Miss Liang learnt so much that was to prove valuable later on.

Farmhouse Production

The rest of the time she spent in touring the country, visiting every theatre and amateur dramatic society she could find, and consulting every producer or director she could possibly meet. It was the productions given in farmhouses that aroused her greatest admiration. She said that it was from the ranks of these societies that many professionals had arisen.

In her anxiety to be with her parents, Mr. and Mrs. M. T. Liang of Tientsin (her father was formerly Minister of Foreign Affairs for the Peking Government), whom she has not seen for over a year, Miss Liang declined many offers to produce more plays in England, but her friends all hope that she may be persuaded to return next year. None are more anxious to avail themselves of her talent than the Garrick Society and Mr. Hsiung.

Miss Liang first studied at Keen's School, Tientsin, later leaving for America to study English and literature at Mount Holyoke where she received her degree. She considers producing her principal hobby, her greatest ambition being to do social service in the interior, to help educate the farmers and their families and to give them some knowledge of the outside world.

A reader who raised a flagstaff at Jubilee time writes: "we got a barrel and put in a heavy 2-inch iron pipe, keeping this in the centre, around which we filled concrete, ramming it well. It is necessary to place a small block at the bottom and to cover the concrete with some small boards at the top in order to hold the pipe steady while the concrete is being filled in. This work must be done near to the place where the pole is to be erected. When the concrete has set solidly, the barrel may be slid into the hole prepared for it.

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INWARD FOREIGN MAILS

From Europe.....Rawalpindi, left London, May 24, due Shanghai June.30
From U.S.A.....P. Hoover, left San Francisco June 14, due Shanghai July 1

OUTWARD FOREIGN MAILS

For Europe.....Hector, lvs. Shanghai June 29 due London Aug. 3
For U.S.A...E. of Russia, lvs. S'hai June 30, due U.S.A. July 15, L'don July 26

VESSELS DUE TO ARRIVE

Ships are shown under the port at which last reported. The first date against a ship's name is the date of departure (or when the ship has not left the probable date of departure) from that port. The second date shows when the vessel is due at Shanghai. Vessels sailing from all ports of the world are given.

EUROPE, etc.

From LONDON

Glenlffer	May18	June 29
Rawalpindi	May24	June 30
Haruna M.	May31	July 8
Glenogle	June 1	July 12
Bhutan	June 1	July 13
Hendoran	May25	July 14
Kaisar-I	June 1	July 14
Benmohr	June 8	July 23
Katori M.	June14	July 23
Behar	June15	July 27
Ranchi	June21	July 28
Benmacdhui	June22	Aug. 10

From LIVERPOOL

Aeneas	May18	June 28
Mentor	May25	July 6
Agamemnon	June 1	July 9
Troilus	June 8	July 19
Sarpedon	June15	July 23
Lycaon	June22	Aug. 2

From OSLO

Afrika	May 2	July 9
Trianon	May11	July 11
Nagara	May25	July 30
Panama	June 7	Aug. 6
Touraine	June13	Aug. 10

From GDYNIA

Philoctetes	May25	July 13
C.Hereford	June15	Aug. 4

From HAMBURG

Kulmerland	—	July 8
Meerkerk	May25	July 11
Isar	—	July 16
Nagara	June13	July 30

From ROTTERDAM

Rhein	June 7	July 24
Saale	June14	July 29

From ANTWERP

Yalou	—	July 2
Ansgir	June 1	July 20
C. Hereford	June 3	Aug. 4
Scrooskerk	June18	Aug. 8

From MARSEILLES

A. Lebon	May31	July 2
Sphinx	June14	July 15

From TRIESTE

Conteftosso	June12	July 6
Tergestea	May29	July 14
Monte Piana	—	July 27

From PORT SAID

Kulmerland	June 7	July 8
Agamemnon	—	July 9
Trianon	—	July 11
Meerkerk	—	July 11
Glenogle	—	July 12
Philoctetes	—	July 13
Bhutan	—	July 13
Kaisar-I	—	July 14
Isar	June15	July 16
Troilus	—	July 19
Ansgir	June15	July 20
Sarpedon	—	July 23
Katori M.	—	July 23
Rhein	—	July 24

From MELBOURNE

Nellore	June 1	July 8

From CALCUTTA

Takada	June 7	July 1
Tilawa	June21	July 15

From N. E. INDIES

Tjinegara	June19	June 29
Tjikarang	June11	June 29

From SINGAPORE

Rawalpindi	—	June 30
Mentor	—	July 6
Haruna M.	—	July 8
Afrika	—	July 9

From HONGKONG

Aeneas	—	June 28
Glenlffer	—	June 29
Lisbon M.	—	June 29

From MANILA

E. Russia	June24	June 30

AMERICA AND JAPAN

From NEW YORK

Lossiebank	May 7	June 29
P. Garfield	May16	July 1
St. Navigator	—	July 2
Silver Teak	—	July 7
Yomachichi	—	July 12
P. Polk	May30	July 15
P. Wilson	June 6	July 19
Helenus	May27	July 20
Foylebank	June 6	July 28
P. Adams	June13	July 29
St. Seafarer	—	July 31
Sil. Sandal	—	Aug. 7
C. Khios	June17	Aug. 13
Glaucus	June26	Aug. 16

From SAN FRANCISCO

P. Garfield	June 7	July 1
P. Hoover	June14	July 7
G. Hind	—	July 7
P. Polk	June21	July 15

From VANCOUVER

E. Japan	June15	July 2

From SEATTLE

Tantalus	May25	June 27
P. Grant	June22	July 9
Talthybius	June15	July 25

From PORTLAND

Wisconsin	—	June 28
G.Sherman	June25	July 12

From YOKOHAMA

P. Hoover	—	July 1
P. Garfield	—	July 1
HakozakiM.	June23	July 1

From NAGASAKI

ShanghaiM.	June25	June 26

PASSENGER LISTS

INWARD

Per N.Y.K.S. Shanghai Maru, June 19. From Japan. Mr. E. A. Hale, Mr. F. S. O'Neil, Miss L. M. Davis, Mrs. J. Montet, Mr. I. Belfrage, Miss A. M. Tamkin, Mr. F. Fiene, Mr. K. G. See, Mr. and Mrs. G. E. Mitchell, Mr. M. Ubaghs.

Per M.S. Tatsuta Maru, June 20. From Hongkong. Mr. Albert Cox, Mr. Daniel Fahrmann, Mr. L. Kadoorie, Mrs. H. Nissim.

Per str. Sunning, June 20. From Hongkong. Mrs. E. Williams. **From Foochow.** Miss Elizabeth Beach, Mr. J. Karnick, Mr. G. Bierwirth.

Per R.D.S. President Pierce, June 21. From San Francisco, Etc. Miss Adam M. Anderson, Comdr. and Mrs. Charles A. Baker, Miss Patricia Baker, Mr. William F. Barnes, Mr. Aleksander Bortnikoff, Miss Clara Chapman, Mrs. Hazel J. Cummins, Miss Elizabeth Cummins, Mr. John H. Ferguson, Mr. H. W. Fowzer, Mr. A. U. Fox, Mr. and Mrs. Jacob E. Frick, Mrs. Lily Goo, Miss Ella Grabbe, Miss Sirena F. Griggs, Mr. T. K. King, Lt. Fitzhugh Lee, Mrs. Arthur J. Lynch, Mrs. Etta I. Navtanovich, Miss Nettie L. Peacock, Mr. Nils G. Regnell, Col. Robert M. C. Ruxton, Mr. Robert H. Sebree, Sister Mary of the Holy Child, Sister Mary St. Francis Assisi, Sister Mary of St. Sylvester, Mr. John D. Smith, Mr. Soon Sit Aye, Mr. Boris Vikhman, Miss Gladys M. Wood.

Per str. Tsinan, June 23. From Hongkong. Mr. G. E. Judge, Dr. Wadleyer, Mr. and Mrs. F. H. Neale. **From Amoy.** Mr. Miller, Mr. K. Aiba, Mr. T. Shihozama, Mr. T. Gwan, Mr. T. Saxer.

Per str. Woosung, June 24. From Hankow. Mrs. Lyhne, Mr. H. D. Smith, Mrs. Raines, Mrs. Corsone. **From Kiukiang.** Mstrs. Boyd Case, L. Billing, Roger Graham, R. Bryan, Miss R. Bryan, Miss A. Bryan, Miss Mary Rose Moffat, Miss Deborah Monair, Mrs. R. T. Bryan, Mrs. R. B. Nichols, Mr. and Mrs. Maslin.

Per R.D.S. President Jackson, June 24. From Hongkong. Mrs. J. B. Bowen, Miss Gail Bowen, Mr. N. D. Brown, Mr. P. H. Chan, Mr. P. Cheverau, Mr. M. P. Croset, Dr. Nora M. Fairchild, Miss L. Gutterres, Mrs. L. G. Hersey, Mr. and Mrs. L. A. Kwok, Mr. E. R. MacDermot, Sr. Mary St. Elizabeth O'Dowd, Mr. Alfred T. Palmer, Lt. and Mrs. R. R. Sampson, Mr. Runjy Shaw, Mr. J. Howard Worrall.

Per R.D.S. President McKinley, June 25. From Kobe. Mrs. A. Boyden, Mr. Hunsdon Cary, Jr., Dr. Arthur V. Casselman, Mr. and Mrs. E. Cripps, Mr. and Mrs. J. Wesley Frank, Mrs. W. M. Hoskens, Miss Helen Kaseberg, Mr. G. H. Lamb, Lt. and Mrs. George D. Lyon, Miss Martha C. Lyon, Miss Jane H. Lyon, Mstr. James O. Lyon, Mstr. Joseph F. Lyon, Mr. G. E. Marden, Miss Mary McDonald, Dr. W. K. Nance, Mr. A. H. Robnett, 2nd Lt. and Mrs. E. R. Smoak, Mr. H. J. Sixtus.

Mr. D. Jadah, Mr. Kvilhaug, Mr. Valentinson, Mr. Tjeita, Mr. Hangen, Mr. Walter L. Marshall, Mr. J. O. Voute, Mr. R. E. Gilleland, Mr. and Mrs. James A. Moffett, Mr. G. W. Greene, Mr. and Mrs. J. Ward, Mr. H. G. McNeary, Mr. W. F. Garman, Mrs. P. M. C. Yvanovich, Miss Young, Mrs. A. M. Antonoff.—**For Manila.**—Col. S. G. Talbott, Miss Josephine Breiha, Mr. G. Archangelsky, Mr. P. Zullana, Dr. Clinton R. Vitous, Mr. T. B. Drotning, Mr. V. A. Dodge, Mrs. V. A. Dodge, Mr. R. Santos, Mrs. T. H. Eckerson.

Per N.Y.K.S. Nagasaki Maru, June 23.—For Japan.—Lt. Gen. Lindemann Ex German Officer and Mrs. Lindemann, Mr. H. Senba M.P., Mrs. S. J. F. Jensen, Mrs. E. G. Lello, Mrs. M. A. Walton, Mr. and Mrs. Flannery, Mrs. H. S. Jeannes, Mrs. Isaac La Baiteaux, Mrs. L. A. Gran, Mrs. Heinrich, Miss Heinrich, Mr. and Mrs. E. L. Siahaya, Miss E. E. Siahaya, Miss B. L. Siahaya, Mr. and Mrs. J. R. Weeks, Miss A. Weeks, Mrs. D. Vialy, Miss J. Vialy, Dr. R. A. Parker, Mr. P. S. Page, Mrs. W. G. Briggs, Mrs. E. Lardy, Mrs. M. Fisher, Mrs. W. M. Cox, Mrs. A. Bologovskay, Miss N. Rosenberg, Mrs. E. G. Vlatskih, Mr. P. S. Page, Mr. and Mrs. Okecki, Mrs. J. Conrad, Mr. F. A. Bowen, Mr. W. Haasler, Mme. V. Bongiardini, Mr. M. Burger, Mrs. M. Nakayama, Mstr. Nakayama, Mrs. W. T. Yoxall; Mrs. E Wagner, Mr. and Mrs. G. Sabattie, Mr. J. A. Mackinnon, Mr. H. Kerperbuig, Mr. G. V. Stepanoff, Mrs. J. M. de Carvalho, Mr. F. Ambroel, Mr. J. Ball, Mr. P. Firth, Mr. J. A. Quayle, Mrs. H. Siman, Mrs. L. Sabatin, Miss L. Koch, Mrs. R. Brown, Mrs. Gustav Hohn, Mrs. G. W. Brown, Mrs. R. Hardvendel, Madame M. Shanislewska, Mstr. Ockecki, Mstr. Ockecki, Mrs. J. A. Quayle, Mr. E. A. Siahaya, Miss O. Siahaya, Miss T. Siahaya, Mr. A. C. Cooper, Mrs. Huet.

Per str. Sunning, June 23.—For Tsingtao.—Mrs. L. K. Wellington, Mrs. B. Miller, Mrs. K. Hanson.

Per str. Chang On, June 23.—For Chinwangtao.—Miss Carter, Mrs. S. L. Sparks, Mr. G. T. Guiguard, Miss Y. Guiguard, Capt. and Mrs. J. V. Davidson-Houston, Miss Andrews, Mrs. R. W. Fraser, Mrs. B. Lindskog.

Per str. Isabel Moller, June 24.—For Chinwangtao.—Mrs. Hale, Miss Emma Shult, Mrs. D. Weldon, Misses Weldon.

Per str. Suiyang, June 25.—For Tsingtao.—Mrs. A. E. Arnold, Miss Jill Arnold, Mrs. W. G. A. Funk.

Per P. & O. S. Mantua, June 25.—For London, Etc. Mr. and Mrs. Bannerjee, Mr. P. Bannerjee, Mr. and Mrs. Bhagava, Mr. and Mrs. Bhagvatinath, Lt. E. Bryant, F/O. W. J. Craig, Mr. and Mrs. F. Gregory, Miss M. Harrison, Mr. B. Hazelton, Mr. Hoorfall, Rev. and Mrs. Hopper, Miss M. Hopper, Mr. V. Jayal, Capt. S. W. Jones, Mr. Kao Kwang Hsuan, Miss Knoblauch, Mr. F. Kutschera, Mr. Cullen Mather, Mrs. S. Miller, Comdr. A. S. H. Morris, R.N., Miss M. O'Malley, Mr. R. Patel, Capt. and Mrs. Permain, Mr. and Mrs. W. H. Phillips, Col. and Mrs. Pocock, Mr. K. Prasad, Mr. and Mrs. Richer, Mr. Roy, Mrs. W. M. Sanders, Mrs. A. A. Savul, Hon. Mr. Justice Srivastava, Capt. F. Steed, Mr. R. L. Stenner, Mr. R. C. M. Swan, Hon. Justice Thomas, Miss M. Thomas, Mrs. P. Vanstone, Mr. Wei Hsing Chien, Mr. Wei Chi Min, Lt. F. Wetherell, Miss M. E. Wood.

Per str. Tsinan, June 26.—For Hongkong.—Mr. and Mrs. Bolton.

Per str. Sandviken, June 26.—For Tsingtao.—Mrs. J. Turbyne, Mrs. P. Ivanoff, Mrs. Hayter, Mstr. A. Hayter, Mstr. B. Hayter, Mrs. J. E. Dopp, Mrs. Lamb.

OUTWARD

Per str. Shanghai Maru, June 20.—For Japan.—Mr. and Mrs. E. H. Austice, Mr. T. Murphy, Dr. R. W. Hornabrook, Mrs. R. Chambard, Mstr. J. Chambard, Mrs. D'Ozouville, Mr. and Mrs. A. W. Paul, Mrs. Eva Titus, Mr. and Mrs. F. Lindemann, Miss G. Schmidt, Mr. Morrison, Mr. Waltz T. Cohn, Mrs. L. A. Chretienne, Mr. C. W. Haynes, Mr. G. N. Gibbins, Mr. and Mrs. H. G. Porter, Miss C. J. Porter, Mr. and Mrs. Ferguson, Mrs. Violot, Major and Mrs. H. A. Allen, Mrs. Thomas, Mr. and Mrs. Oei Han Liong, Mr. and Mrs. Tjan Je Goen, Mr. Ong An Pang, Miss J. Terrari.

Per str. Kingyuan, June 21.—For Haiphong.—Mstr. Peter Dowdall.

Per M.S. Tatsuta Maru, June 21.—For San Francisco Los Angeles and Honolulu and Japan Ports.—Mr. and Mrs. W. I. Kealy, Misses L. and G. Kealy, Mrs. Wm. Sooper-Procter, Miss M. E. Johnston, Mr. Walter T. Cohn, Mrs. W. B. White, Mrs. L. G. Doughty, Miss Agnes Beaton, Mrs. Stewart Elliott, Mr. H. S. Putnam, Mrs. John S. Bornes, Mrs. H. H. McCormac, Mrs. P. V. H. Lansdale, Mrs. Henry E. Coe, Miss Ann T. Flynn, Mrs. G. A. Austin, Mr. Jonathan Bulkley, Mrs. J. Bulkley, Miss Jessie Rogers, Mrs. Homer H. Johnson, Mr. A. Richer, Mr. R. Schaller, Mr. Herbert E. Jackson, Mr. and Mrs. I. Shevtzoff, Miss N. Shevtzoff, Mr. and Mrs. F. Lyons, Mrs. Jean Drummond, Mrs. F. Meteolf, Mr. and Mrs. Frederick H. Rika, Mrs. J. G. M. Glessner, Mrs. M. F. Motley, Miss D. N. Spalding, Mrs. W. B. Sharp, Mrs. G. L. Keith, Mrs. W. E. Chilton, Mr. and Mrs. Cleveland Sewall, Miss Miriam Walker, Miss Myra Valentine, Mrs. Herbert G. Lowe, Mrs. Homer H. Johnson, Mr. and Mrs. Samuel Pond, Miss E. T. Nicholas, Mrs. Chesebrough Davison, Miss Mary R. Cross, Mrs. Gilbert Montague, Mr. and Mrs. B. D. Riegel, Mr. and Mrs. George Godley, Mrs. James R. Thomas, Mrs. E. B. Sturges, Mrs. R. C. Force, Miss J. Gaippitts, Mrs. Frank Edoff, Mrs. John H. Lynch, Mrs. Robert B. English, Mr. and Mrs. Nelson B. Williams, Mrs. H. Asbury, Miss Emily Hahn, Miss A. Schonfeld, Mrs. H. B. Parker, Miss Parker, Miss L. Parker, Mr. S. Sharroch, Miss Cecil Desmond, Mrs. A. J. Smith, Miss S. Black, Mrs. C. Zavialova, Mrs. F. Marques, Mr. and Mrs. R. Gillies, Mr. Paul T. A. Runge, Miss E. Wolnizer, Mrs. A. B. Pollard, Mrs. Squire, Miss Terry, Mr. and Mrs. C. Lunt, Mstr. P. Lunt, Mstr. S. Lunt, Mrs. Vero Tepliakoff, Mrs. Sophy Kroslavsky, Mrs. A. Bitker, Mstr. N. Dorrance, Mr. H. C. Davies, Miss Davies, Mrs. O. A. Felilova, Capt. G. F. Mulock, Mrs. E. Kohn, Dr. and Mrs. Michael, Mrs. K. Kochmann, Mr. and Mrs. F. Requard, Mrs. A. G. Mossop.

Per R.D.S. President Pierce, June 22.—For Hongkong.—Miss P. L. Armstrong, Miss Florence Henry, Mr. O. D. May,

SICCAWEI METEOROLOGICAL REPORT

Day of Month	Barometer 9 A.M.	Barometer Att'od. Therm	Wind Direction a.m.	Wind (1-12)	Hygrometer 9 a.m. Dry	Hygrometer 9 a.m. Wet	Thermometer in Shade Max.	Thermometer in Shade Min.	Weather Conditions
June 14	29.83	76.6	S S E	4	76.5	71.6	88.7	67.1	C.
" 15	29.70	78.6	S E	5	81.7	76.3	89.1	72.2	C.
" 16	29.49	79.0	S S E	4	82.8	75.9	89.1	74.8	C.
" 17	29.78	77.2	N N W	1	73.8	66.9	86.2	65.3	B.
" 18	29.91	77.0	E S E	2	78.6	67.3	88.0	64.6	B. C.
" 19	29.88	77.6	S E	2	78.1	72.7	84.2	68.7	C.
" 20	29.72	77.0	E N E	4	69.5	67.6	75.0	68.0	C.

EXPLANATION
B—blue sky F—fog H—hail M—misty (hazy) R—rain T—thunder
C—clouds D—drizzle L—lightning O—overcast (dull) S—snow Z—calm

SHANGHAI THERMOMETER READINGS FOR THE WEEK

In the open air in a shaded situation in the Foreign Settlement

Date	Minimum Temperature 1935	Minimum Temperature 1934	Maximum Temperature 1935	Maximum Temperature 1934	Rainfall 1935	Rainfall 1934
June 14	69.5F.	69.5F.	87.0F.	86.5F.	Nil	Nil
" 15	74.0	70.5	88.0	79.5	Nil	Nil
" 16	75.0	67.0	89.5	81.0	0.61-in.	Nil
" 17	67.0	67.5	88.5	84.0	Nil	Nil
" 18	69.0	67.5	86.0	79.5	Nil	Nil
" 19	71.5	68.5	82.0	76.0	Nil	0.78-in.
" 20	68.5	65.5	77.0	84.0	1.55	Nil

BIRTHS

AIERS.—On June 19, 1935, at the Country Hospital, Shanghai, to Mr. and Mrs. H. E. AIERS (née Kitty Mason), a daughter.

BUCHANAN.—On June 17, 1935, at 17 French Road, Catterick Camp, Yorkshire, to BETTY, wife of Lieutenant COLIN BUCHANAN, Royal Scots Fusiliers, a son.

PHILLIPS.—On June 20, 1935, at the Shanghai Sanitarium Hospital, to Dr. and Mrs. Frank Phillips, a son, KENNETH FRANKLIN.

MARRIAGES

MOLLER—BARRAUD.—On June 22, 1935, at H.B.M. Consulate, Shanghai, later at St. Joseph's Church, ERIC BLECHYNDEN, eldest son of Mr. and Mrs. ERIC MARIE (Nanette), daughter of Monsieur et Madame Julien Barraud, of Shanghai.

Mrs. ZOEN FONG How wishes to announce the marriage of her daughter, LOO YUEN to Mr. VICTOR K. KWONG on June 24, 1935, at Los Angeles, California, U.S.A.

WOODS—BLAIN.—On June 20, 1935, at Tien Swe Gyao, Hangchow, ELIZABETH GRIER, daughter of Mrs. John Mercer Blain and the late Dr. Blain, of Hangchow, to JAMES BAKER, JR., son of Dr. and Mrs. James Baker Woods, of Tsingkiangpu.

DEATHS

BOLLARD.—On Wednesday, June 19, 1935, in London, JOHN JOSEPH CYRIL BOLLARD, of the staff of Imperial Chemical Industries (China) Ltd.

KENNAN.—On Wednesday, June 19, 1935, at Moukden, the infant son of Mr. and Mrs. A. KENNAN. (Hongkong and Indo-China papers please copy.)

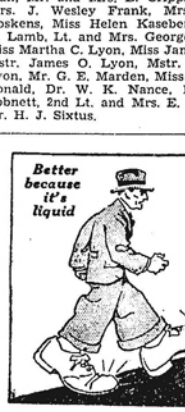
PEEL.—On May 4, 1935, at Clifton, Bristol, LAURENCE PEEL, late Commissioner Chinese Maritime Customs. Younger son of the late Colonel Frederick Peel, R.E., and the late Mrs. Peel. Aged 53 years.

PETSCHELEIT.—On June 23, 1935, at the Paulun Hospital, Shanghai, BRUNO PETSCHELEIT of the dredger "Chien She", aged 27 years, a native of Konigsberg, Germany.

IN MEMORIAM

HAAS.—In affectionate remembrance of SARINA HAAS, our beloved mother and wife of the late Mr. A. Haas, who passed away on June 22, 1934. "Forever in our Hearts." Sadly missed by her loving children Cecilia, Norbert, Isidore and Malvina.

LOVELOCK.—In everlasting and cherished memory of my dearly beloved husband JESSE JAMES LOVELOCK, who passed away on June 25, 1933. Sadly missed.



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